

EOG Resources, Inc.
P.O. 1910
Vernal, UT 84078

May 24, 2005

Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

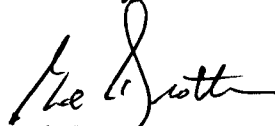
RE: APPLICATION FOR PERMIT TO DRILL
CHAPITA WELLS UNIT 951-30
SW/SE, SEC. 30, T9S, R23E
UINTAH COUNTY, UTAH
LEASE NO.: U-0337
FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone: (435)789-4120
Fax: (435)789-1420

Sincerely,



Ed Trotter
Agent
EOG Resources, Inc.

Attachments

RECEIVED
MAY 2 / 2005
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

001 APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL

☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator

EOG RESOURCES, INC.

3a. Address **P.O. BOX 1815**

VERNAL, UT 84078

3b. Phone No. (Include area code)

(435)789-0790

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface **747' FSL, 2177' FEL**

At proposed prod. Zone

6393724 40.001865 SW/SE
44290314 -109.367272

5. Lease Serial No.

U-0337

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

CHAPITA WELLS UNIT

8. Lease Name and Well No.

CHAPITA WELLS UNIT 951-30

9. API Well No.

43-047-36760

10. Field and Pool, or Exploratory

NATURAL BUTTES

11. Sec., T., R., M., or Blk. and Survey or Area

**SEC. 30, T9S, R23E,
S.L.B.&M.**

14. Distance in miles and direction from nearest town or post office*

20.65 MILES SOUTHEAST OF OURAY, UTAH

12. County or Parish

UINTAH

13. State

UTAH

15. Distance from proposed*

location to nearest
property or lease line, ft. **747'**

(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease

2344

17. Spacing Unit dedicated to this well

18. Distance from proposed location*

to nearest well, drilling, completed,
applied for, on this lease, ft. See Topo Map C

19. Proposed Depth

8900'

20. BLM/BIA Bond No. on file

NM-2308

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

5088.2 FEET GRADED GROUND

22. Approximate date work will start*

UPON APPROVAL

23. Estimated duration

45 DAYS

24. Attachments

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

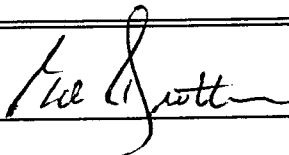
3. A Surface Use Plan (if the location is on National Forest System Lands, the
SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file
(see Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required
by the authorized officer.

25. Signature



Name (Printed/Typed)

Ed Trotter

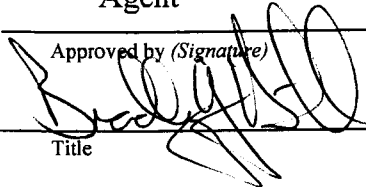
Date

May 24, 2005

Title

Agent

Approved by (Signature)



Name (Printed/Typed)

**BRADLEY G. HILL
ENVIRONMENTAL SCIENTIST III**

Date

06-09-05

Title

Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

**Federal Approval
Action Is Necessary**

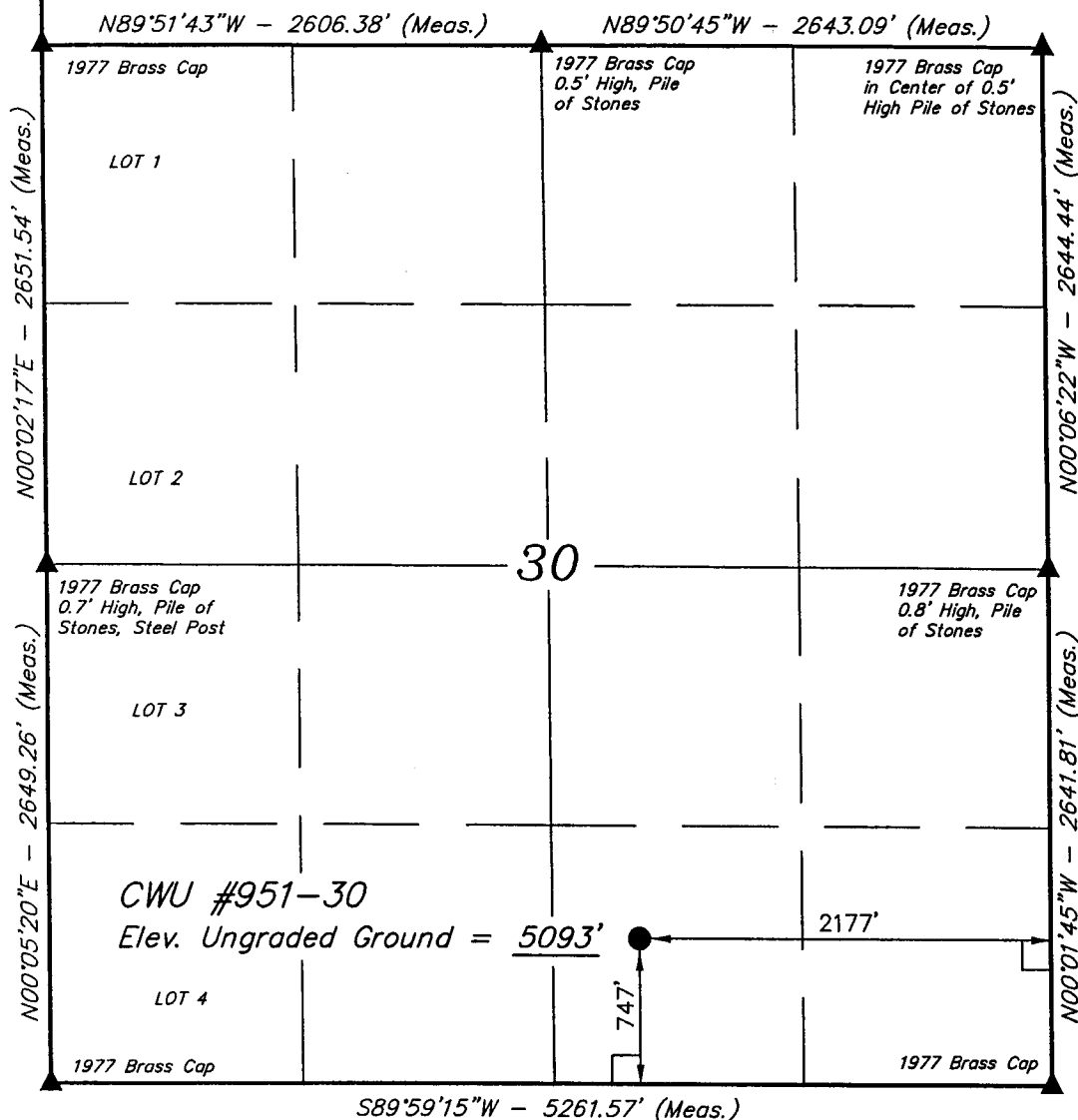
RECEIVED

MAY 2 / 2005

DIV. OF OIL, GAS & MINING

R
22
E

T9S, R23E, S.L.B.&M.



LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(AUTONOMOUS NAD 27)

LATITUDE = 40°00'06.38" (40.001772)

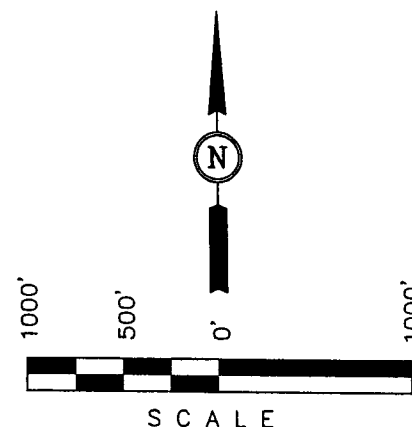
LONGITUDE = 109°22'04.60" (109.367944)

EOG RESOURCES, INC.

Well location, CWU #951-30, located as shown in the SW 1/4 SE 1/4 of Section 30, T9S, R23E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 58EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE MAP WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UNTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

| | | |
|---------------------------|-----------------------------|-------------------------|
| SCALE 1" = 1000' | DATE SURVEYED: 03-22-04 | DATE DRAWN: 04-04-04 |
| PARTY G.S. M.B. D.R.B. | REFERENCES G.L.O. PLAT | |
| WEATHER COOL | FILE EOG RESOURCES, INC. | |

EIGHT POINT PLAN

CHAPITA WELLS UNIT 951-30
SW/SE, SEC. 30, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

| FORMATION | DEPTH (KB) |
|------------------------|-------------------|
| Green River | 1,453' |
| Wasatch | 4,442' |
| North Horn | 6,355' |
| Island | 6,671' |
| KMV Price River | 6,881' |
| KMV Price River Middle | 7,506' |
| KMV Price River Lower | 8,249' |
| Sego | 8,712' |

EST. TD: **8,900'**

Anticipated BHP **3,900 PSI**

3. PRESSURE CONTROL EQUIPMENT: 5000 PSIG
 BOP Schematic Diagram attached.

4. CASING PROGRAM:

| <u>HOLE SIZE</u> | <u>INTERVAL</u> | <u>LENGTH</u> | <u>SIZE</u> | <u>WEIGHT</u> | <u>GRADE</u> | <u>THREAD</u> | <u>RATING FACTOR</u> | | |
|-------------------------|------------------------|----------------------|--------------------|----------------------|---------------------|----------------------|-----------------------------|---------------------|-----------------------|
| | | | | | | | <u>COLLAPSE</u> | <u>BURST</u> | <u>TENSILE</u> |
| 17 1/2" | 0' - 45' | 45' | 13 3/8" | 48.0# | H-40 | STC | 770 PSI | 1730 PSI | 322,000# |
| 12 1/4" | 45' - 2,300' +/- KB | 2,300' +/- | 9 5/8" | 36.0 # | J-55 | ST&C | 2020 PSI | 3520 PSI | 394,000# |
| 7 7/8" | 2300' - TD +/- KB | 8,900' +/- | 4 1/2" | 11.6 # | N-80 | LT&C | 6350 PSI | 7780 PSI | 223,000# |

Note: The 12 1/4" Intermediate hole will be drilled to a total depth of 200' below the base of the Green River lost circulation zone and 9 5/8" casing will be set to that depth. Actual setting depth of the 9 5/8" casing may be less than 2300' in this well.
 All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0-45' Below GL):

None

Intermediate Hole Procedure (45'-±2300')

Guide Shoe

Insert Float Collar (PDC drillable)

Cents.: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

EIGHT POINT PLAN

CHAPITA WELLS UNIT 951-30 SW/SE, SEC. 30, T9S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

Float Equipment (Continued):

Production Hole Procedure ($\pm 2300'$ -TD):

FS, 1 joint of casing, FC, and balance of casing to surface. Run 11.6#, N-80 burst rating or equivalent marker collars or short casing joints at $\pm 6,881'$ (Top of Price River) and $\pm 4,000'$ (400' above the Wasatch) (alter depth if needed to avoid placing across any potentially- productive intervals). Centralize 5' above shoe on joint #1, top of joint #2, then every 2nd joint to 400' above Price River top (50 total). Thread lock FS, top and bottom of FC, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (0-45' below GL):

Air – Air Water Mist

Intermediate Hole Procedure (45'- $\pm 2300'$):

Water (circulate through reserve pit) with Gel/LCM sweeps.

Production Hole Procedure ($\pm 2300'$ -TD):

± 2300 -7500' Use water (circulated through reserve pit) with PHPA polymer sweeps on a regular basis. Adjust frequency of sweeps based on cuttings quality and hole conditions. Gel/LCM sweeps can also be used for additional cleaning and for reducing seepage, but should not be “substituted” for the PHPA sweeps.

While on water, spot either salt water or pre-mixed weighted mud as required to prevent flow during trips after gas influxes have been encountered. Watch cuttings size, shape and quantity to determine if increase in mud weight is required. Increased mud weight is often the key to shale stability in this area. Treat for any CO₂ contamination with Lime and Gyp.

7500'- TD' Close mud system in. “Mud up” with Hi-Yield Bentonite for primary viscosity and PHPA polymer for supplemental viscosity and clay encapsulation/inhibition. Utilize white Starch or PAC for filtration control. Treat with bactericide if required. Maintain pH in 9.0-10.0 ranges.

Expect increasing gas influxes requiring heavier mud weights as drilling progresses. Adjust mud weight as needed. Use deflocculants/thinners if required to maintain good flow properties.

Run LCM sweeps periodically to seal-off loss zones. Adjust sweep frequency based on observed losses. Maintain water loss 15 cc's or less. Treat CO₂ contamination with Lime and/or Gypsum.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 951-30
SW/SE, SEC. 30, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

- A. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line (Where possible, a straight run blooie line will be used).
- B. EOG Resources, Inc. requests a variance to regulations requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- C. EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be 75' in length.

8. EVALUATION PROGRAM:

Logs: No Open Hole Logs
Cased Hole Logs.

9. CEMENT PROGRAM:

Surface Hole Procedure (0-45' Below GL)
Redi Mix Cement

Intermediate Hole Procedure (45'-± 2300'):
Option #1

Lead: 85 sks: (50% excess volume) Class 'G' lead cement (coverage from 1700-1000') with 5% D44 (Salt), 12% D20 (Bentonite), 1% D79% (Extender), 0.25% D112 (Fluid Loss Additive), 0.2% D46 (Anti-Foamer) & 0.25 pps D29 (Cellophane flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 290 sks: (50% excess volume) Class 'G' cement (coverage from 2700-1700') with 10% D53 (Gypsum), 2% S1 (CaCl₂) & 0.25 pps D29 (Cellophane flakes) mixed at 14.2 ppg, 1.61 ft³/sk., 7.9 gps water.

Option 2:

Lead: 210 sks: (60% excess volume) Class 'G' lead cement (coverage from 2300-1800') with 2% BWOC (Calcium Chloride), ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Tail: 720 sks: (60% excess volume) Class 'G' cement (coverage from 1800'-Surface) with 2% BWOC (Calcium Chloride), ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 951-30
SW/SE, SEC. 30, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

CEMENT PROGRAM (Continued):

Production Hole Procedure (\pm 2300' to TD)

Lead: 110 sks 35:65 Poz G w/ 4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.15% D13 (Retarder), 0.25 pps D29 (cello flakes), mixed at 13.0 ppg, 1.73 ft³/sk., 9.06 gps water

Tail: 190 sks: 50:50 Poz G w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.15% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9 gps water.

10. ABNORMAL CONDITIONS:

Intermediate Hole (45' \pm 2300'):

Lost circulation

Production Hole (\pm 2300'-TD):

Sloughing shales and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

13. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

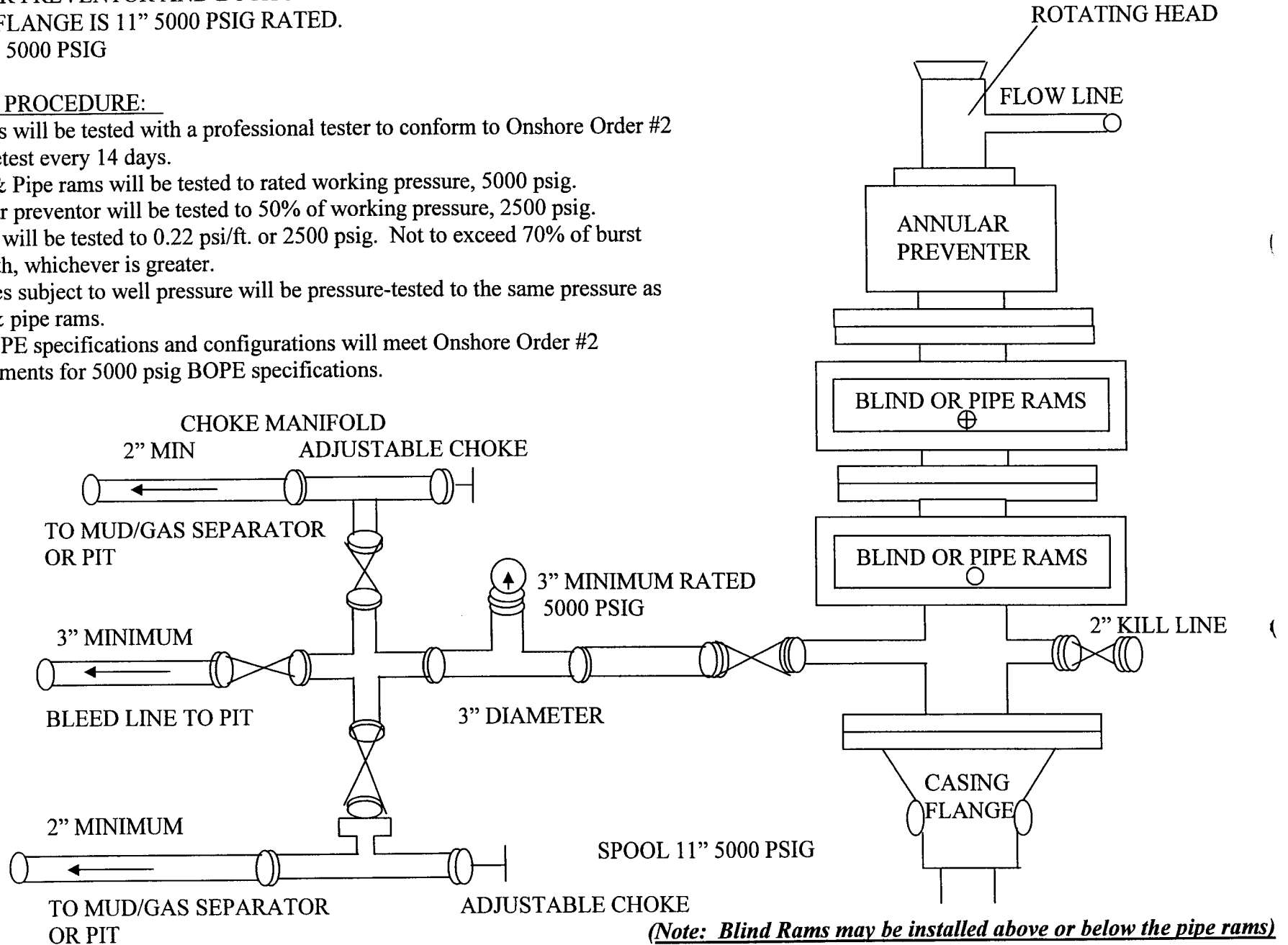
(Attachment: BOP Schematic Diagram)

5000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 5000 PSIG RATED.
CASING FLANGE IS 11" 5000 PSIG RATED.
BOPE 11" 5000 PSIG

TESTING PROCEDURE:

1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 5000 psig.
3. Annular preventor will be tested to 50% of working pressure, 2500 psig.
4. Casing will be tested to 0.22 psi/ft. or 2500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 5000 psig BOPE specifications.



**CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL**

| | |
|---------------------|--|
| Company/Operator: | <u>EOG Resources, Inc.</u> |
| Well Name & Number: | <u>Chapita Wells Unit 951-30</u> |
| Lease Number: | <u>U-0337</u> |
| Location: | <u>747' FSL & 2177' FEL, SW/SE, Sec. 30,</u> <u>T9S, R23E, S.L.B.&M., Uintah County, Utah</u> |
| Surface Ownership: | <u>Federal</u> |

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to spudding the well.

Casing String and
Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related
Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production
Notice - within five (5) business days after new Well begins or production resumes after Well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 20.65 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 0.15 miles in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. **One 18" culvert will be placed in the road leading to the Chapita Wells Unit 872-30 well at the approach to the Chapita Wells Unit 951-30.**
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

- A. Abandoned wells - 4*
- B. Producing wells - 6*
- C. Shut in wells - 3*

(*See attached TOPO map "C" for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

- 1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
- 2. Gas gathering lines - A 4" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. A 4" OD steel above ground natural gas pipeline will be laid approximately 400' from proposed location to a point in the SE/SW of Section 30, T9S, R23E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands within the Chapita Wells Unit, thus a Right-of -Way grant will not be required.
- 3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
- 4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the Southwest side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as

determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc.

drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

On BLM administered land:

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 12 millimeter plastic liner.

8. ANCILLARY FACILITIES

- A. No airstrips or camps are planned for this well.

9. WELLSITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved seed mixture for this location is:
 - Wyoming Big Sage – 3 pounds per acre
 - Gardner Salt Bush – 3 pounds per acre
 - Indian Rice Grass – 2 pounds per acre
 - Hi-Crest Crested Wheat Grass – 1 pound per acre.

The reserve pit will be located on the Southeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the South side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil West of Corners B and 5. The stockpiled location topsoil will be stored from Corner #6 to Northwest of Corner #7, as well as between Corner #2 and the access road. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the Northeast.

Corners #2, #6, & #8 will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.
If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP

Access road: Federal

Location: Federal

12. OTHER INFORMATION

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used.
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification

from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

Additional Surface Stipulations

None

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Telephone: (435)789-4120
Fax: (435)789-1420

DRILLING OPERATIONS

Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

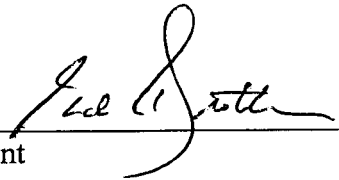
A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Chapita Wells Unit 951-30 Well, located in the SW/SE of Section 30, T9S, R23E, Uintah County, Utah; Lease #U-0337;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

5-24-2005
Date


Agent

EOG RESOURCES, INC.
CWU #951-30
SECTION 30, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 2.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE CWU #872-30 TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 51.65 MILES.

EOG RESOURCES, INC.

CWU #951-30

LOCATED IN UINTAH COUNTY, UTAH
SECTION 30, T9S, R23E, S.L.B.&M.

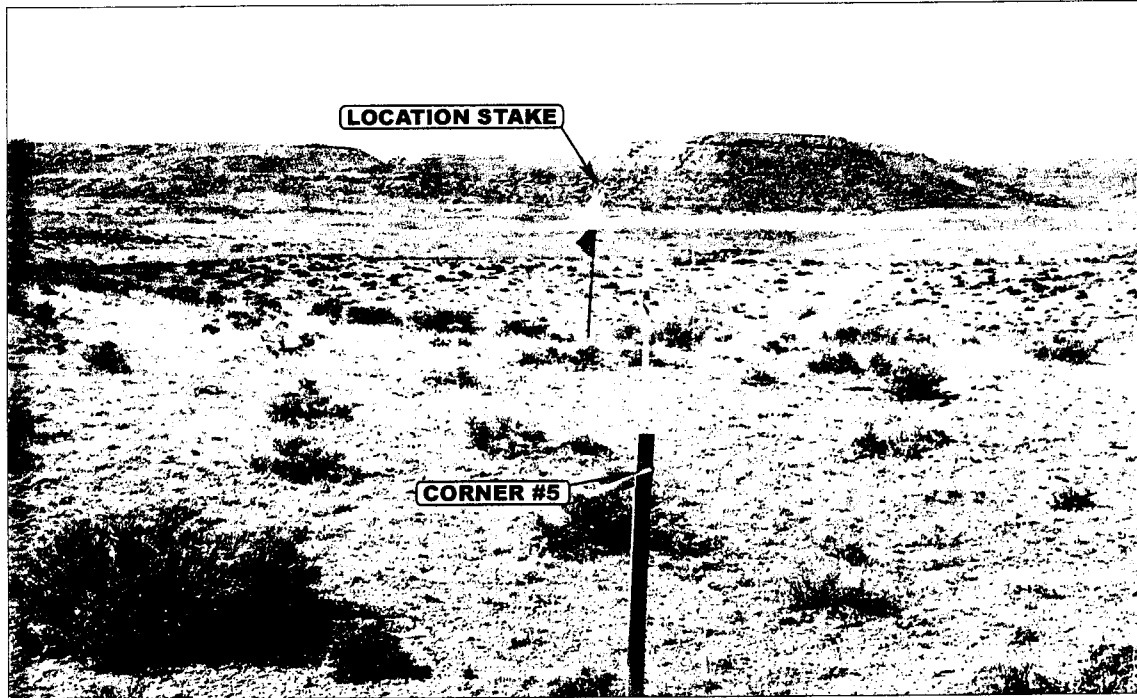


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

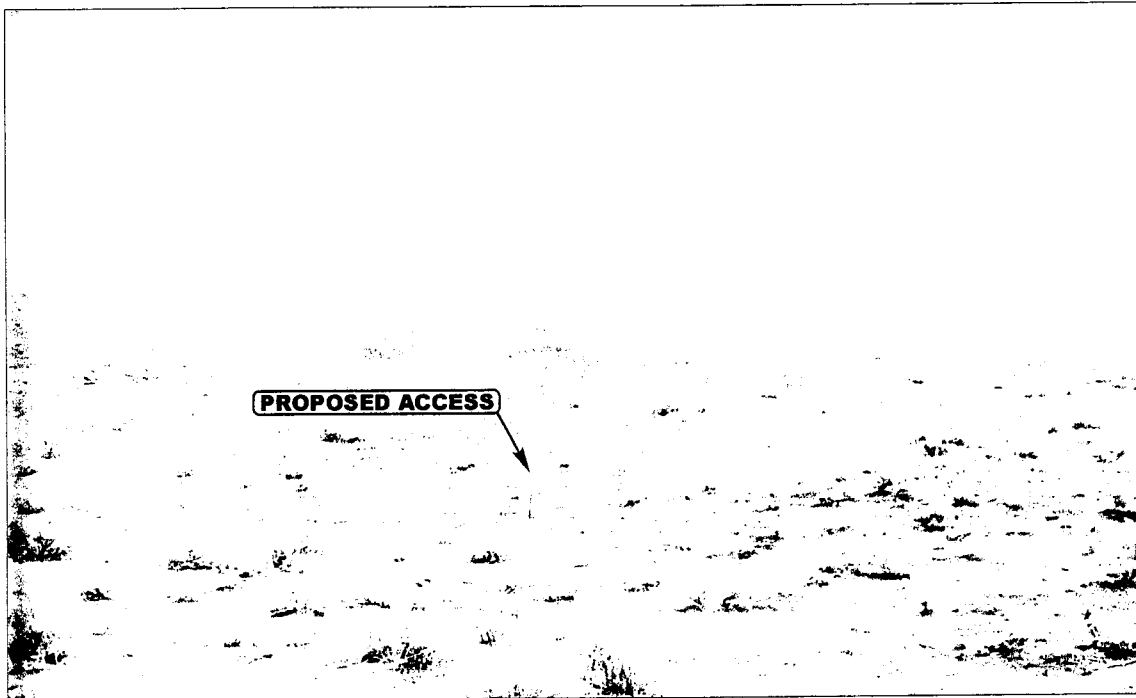


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

E&LS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078

435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

04 13 04
MONTH DAY YEAR

PHOTO

TAKEN BY: GS.

DRAWN BY: P.M.

REVISED: 00-00-00

LOCATION LAYOUT FOR

SECTION 30, T9S, R23E, S.L.B.&M.

F-6.3'
El. 81.9'

C-6.9'
FL 95.1'

Topsoil Stockpile

F-17.0'
El. 71.2'

Sta. 3+25

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.

Round Corners
as needed

TRAILER

Sta. 1+50

$F-13.9'$
El. 74.3'

Sta. 0+00

F-9.1'
El. 79.1'

Approx. Top of Cut Slope

El. 96.2'
C-20.0
(btm. pit)

C-3.5'

topsoil stockpile

Proposed Access
Road

Elev. Ungraded Ground at Location Stake = 5093.5'
Elev. Graded Ground at Location Stake = 5088.2'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

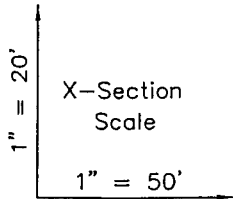
EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

CWU #951-30

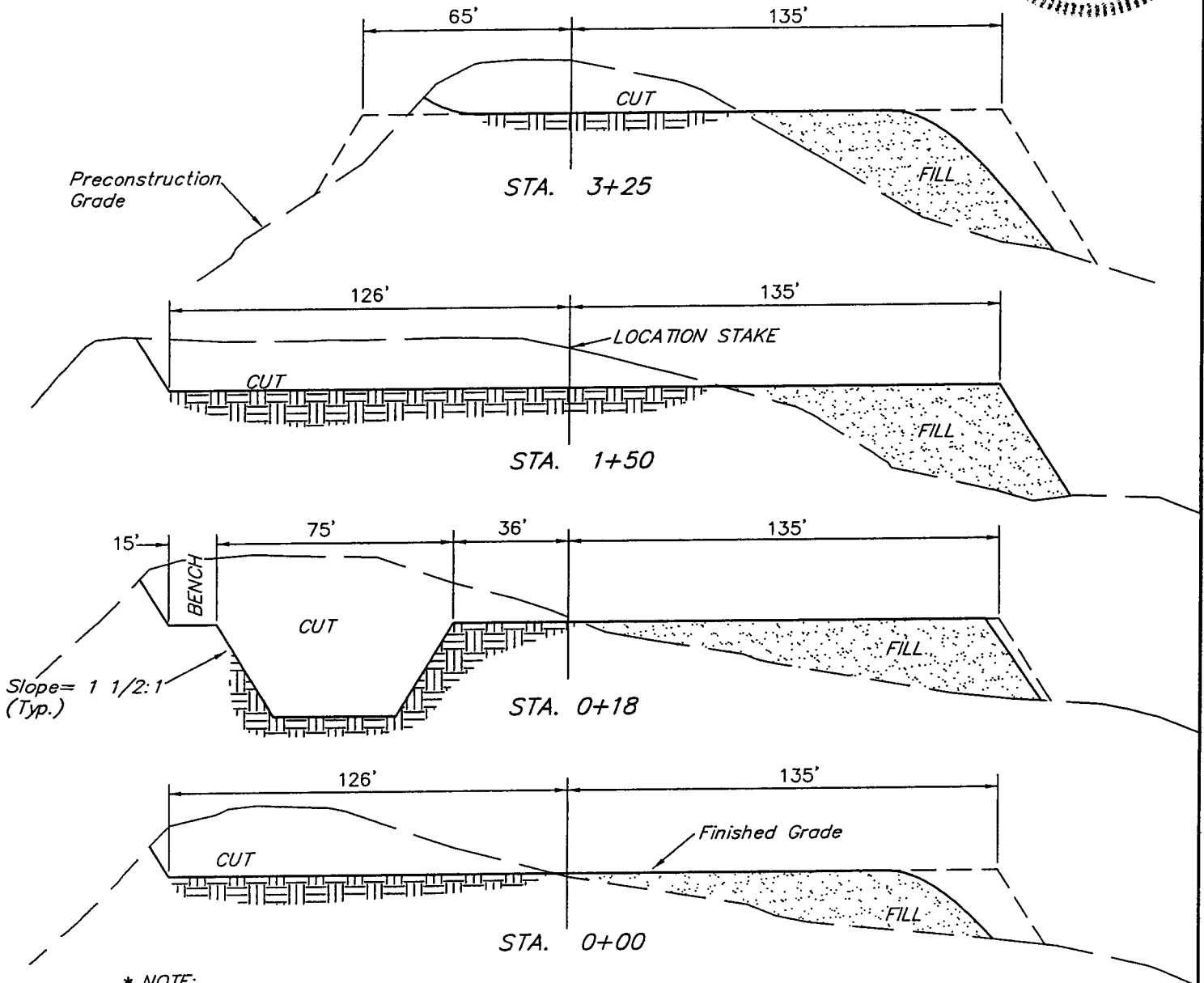
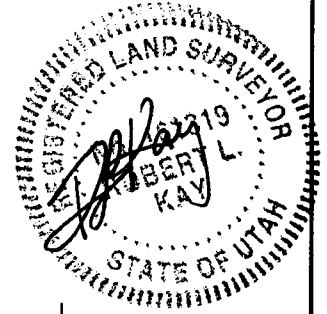
SECTION 30, T9S, R23E, S.L.B.&M.

747' FSL 2177' FEL



DATE: 04-04-04

Drawn By: D.R.B.



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping = 1,800 Cu. Yds.

Remaining Location = 12,890 Cu. Yds.

TOTAL CUT = 14,690 CU.YDS.

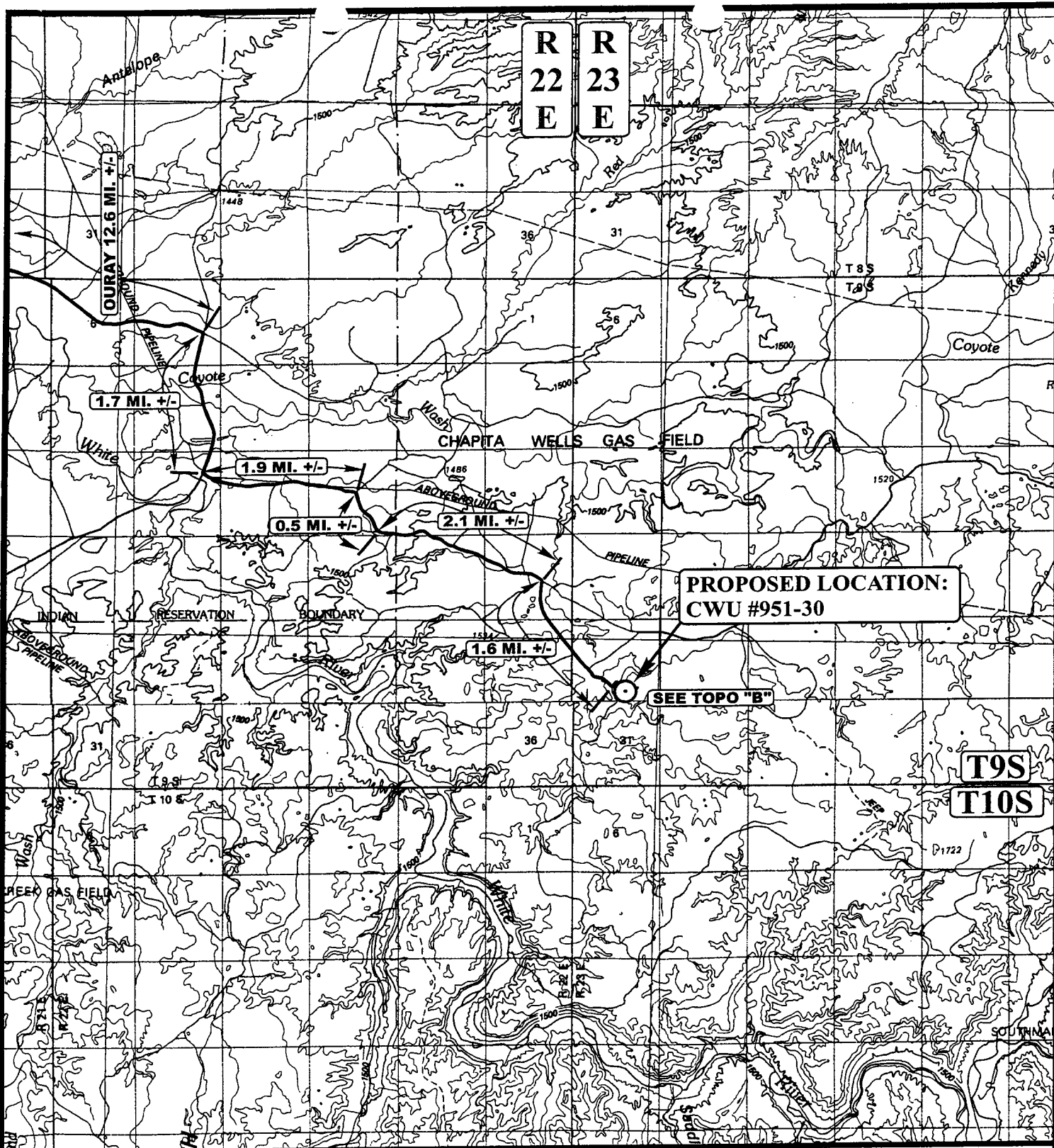
FILL = 11,230 CU.YDS.

EXCESS MATERIAL = 3,460 Cu. Yds.

Topsoil & Pit Backfill = 3,460 Cu. Yds.
(1/2 Pit Vol.)

EXCESS UNBALANCE = 0 Cu. Yds.
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1077



LEGEND:

⊙ PROPOSED LOCATION



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



EOG RESOURCES, INC.

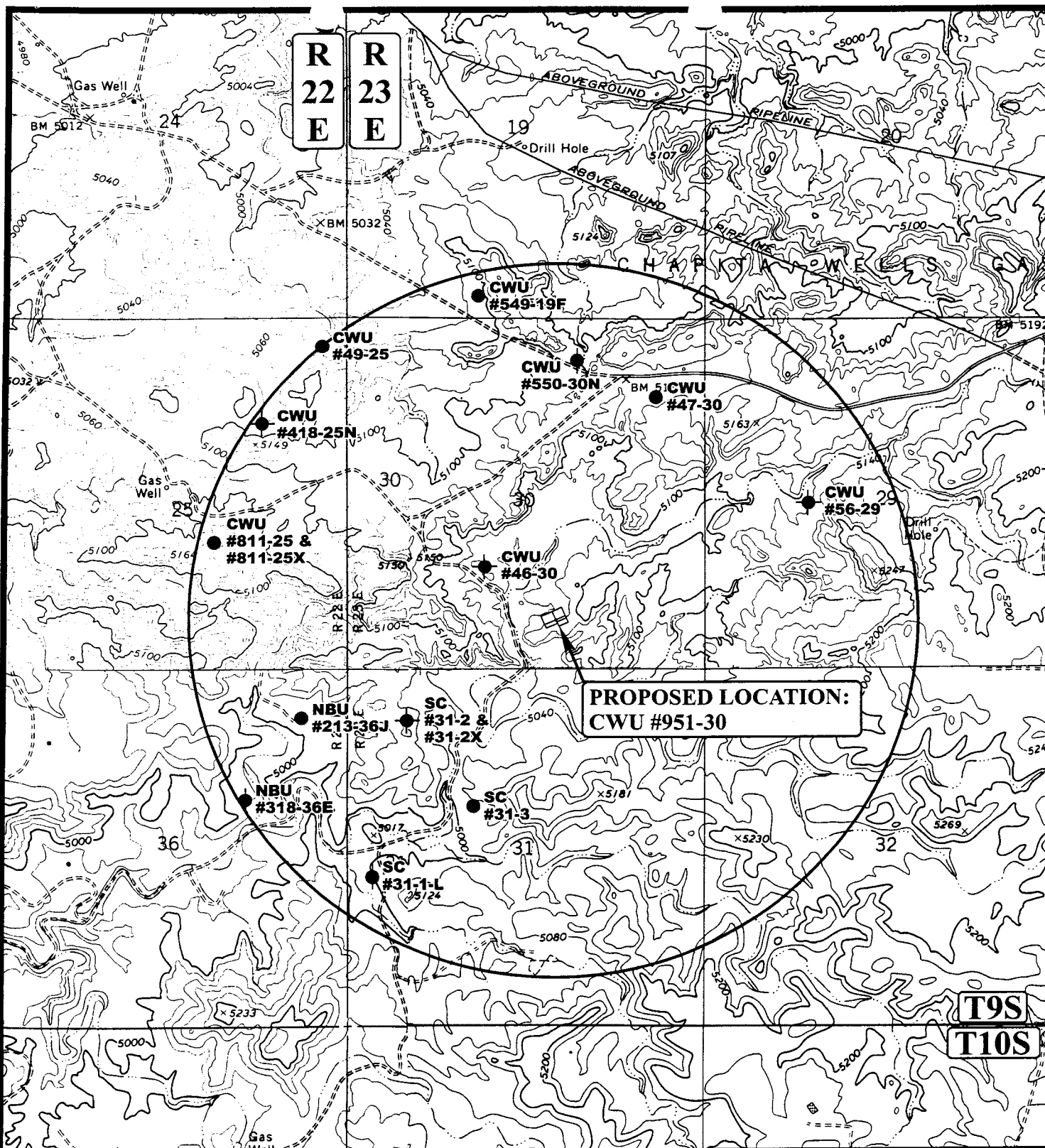
CWU #951-30
SECTION 30, T9S, R23E, S.L.B.&M.
747' FSL 2177' FEL

TOPOGRAPHIC
MAP

04 **13** **04**
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: P.M. REVISED: 00-00-00

A
TOPO



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



EOG RESOURCES, INC.

CWU #951-30
SECTION 30, T9S, R23E, S.L.B.&M.
747' FSL 2177' FEL

TOPOGRAPHIC
MAP

04 13 04
 MONTH DAY YEAR

SCALE: 1" = 2000' **DRAWN BY: P.M.** **REVISED: 00-00-00**



D
TOPO

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

004

APD RECEIVED: 05/27/2005

API NO. ASSIGNED: 43-047-36760

WELL NAME: CWU 951-30

OPERATOR: EOG RESOURCES INC (N9550)

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

SWSE 30 090S 230E

SURFACE: 0747 FSL 2177 FEL

BOTTOM: 0747 FSL 2177 FEL

UINTAH

NATURAL BUTTES (630)

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-0337

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

| Tech Review | Initials | Date |
|-------------|----------|------|
| Engineering | | |
| Geology | | |
| Surface | | |

LATITUDE: 40.00187

LONGITUDE: -109.3673

RECEIVED AND/OR REVIEWED:

☒ Plat☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM-2308)☒ Potash (Y/N)☒ Oil Shale 190-5 (B) or 190-3 or 190-13☒ Water Permit
(No. 49-1501)☒ RDCC Review (Y/N)
(Date:)☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

R649-2-3.

Unit CHAPITA WELLS

R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 179-8

Eff Date: 8-10-1999

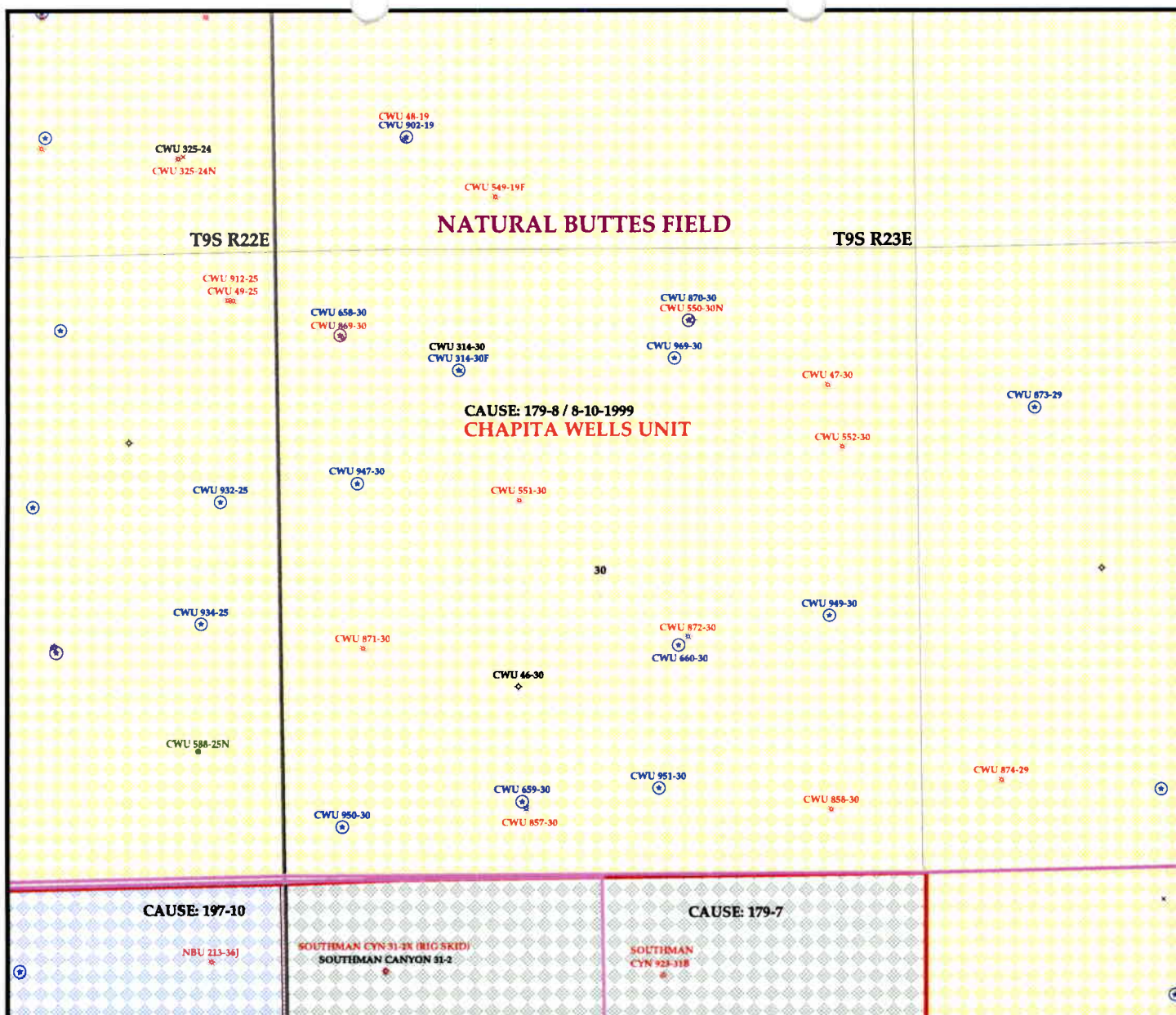
Siting: Suspends General Siting

R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

1-Federal approval



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 30 T. 9S R. 23E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999

Wells

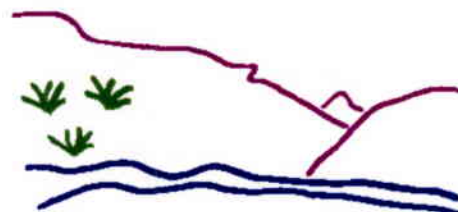
- ✂ GAS INJECTION
- ⊙ GAS STORAGE
- ✕ LOCATION ABANDONED
- ⊕ NEW LOCATION
- ⊖ PLUGGED & ABANDONED
- ⊙ PRODUCING GAS
- PRODUCING OIL
- ⊙ SHUT-IN GAS
- ⊙ SHUT-IN OIL
- ✕ TEMP. ABANDONED
- ⊙ TEST WELL
- ⊙ WATER INJECTION
- ⊙ WATER SUPPLY
- ⊙ WATER DISPOSAL

Units.shp

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Fields.shp

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 6-JUNE-2005

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

June 8, 2005

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2005 Plan of Development Chapita Wells Unit
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Chapita Wells Unit, Uintah County, Utah.

| API # | WELL NAME | LOCATION |
|-------|-----------|----------|
|-------|-----------|----------|

(Proposed PZ North Horn)

43-047-36756 CWU 673-6 Sec 6 T09S R23E 1650 FNL 0640 FWL

(Proposed PZ Price River)

| | | |
|--------------|-------------|------------------------------------|
| 43-047-36757 | CWU 1048-18 | Sec 18 T09S R23E 0722 FSL 1963 FWL |
| 43-047-36758 | CWU 1049-18 | Sec 18 T09S R23E 0586 FSL 2112 FEL |
| 43-047-36759 | CWU 305-18 | Sec 18 T09S R23E 1650 FSL 0750 FWL |
| 43-047-36755 | CWU 1051-22 | Sec 22 T09S R23E 2169 FNL 0807 FWL |
| 43-047-36761 | CWU 967-34 | Sec 34 T09S R23E 0700 FSL 1893 FWL |
| 43-047-36760 | CWU 951-30 | Sec 30 T09S R23E 0747 FSL 2177 FEL |
| 43-047-36762 | CWU 672-1 | Sec 1 T09S R22E 1966 FSL 1807 FWL |
| 43-047-36763 | CWU 669-1 | Sec 1 T09S R22E 0717 FNL 2180 FWL |
| 43-047-36764 | CWU 670-1 | Sec 1 T09S R22E 1500 FNL 0285 FWL |

Pursuant to telephone conversation between Debbie Spears, EOG, and myself production from North Horn formation will be allocated to the Wasatch Participating Area. This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

**State of Utah****Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

June 9, 2005

EOG Resources, Inc.
P O Box 1815
Vernal, UT 84078

Re: Chapita Wells Unit 951-30 Well, 747' FSL, 2177- FEL, SW SE, Sec. 30,
T. 9 South, R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36760.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

Gil Hunt
Acting Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: EOG Resources, Inc.
Well Name & Number Chapita Wells Unit 951-30
API Number: 43-047-36760
Lease: U-0337

Location: SW SE **Sec.** 30 **T.** 9 South **R.** 23 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

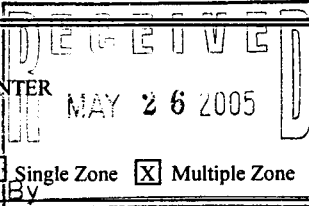
4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL

☐ REENTER



1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other

☐ Single Zone ☒ Multiple Zone

2. Name of Operator

EOG RESOURCES, INC.

3a. Address P.O. BOX 1815

VERNAL, UT 84078

3b. Phone No. (Include area code)

(435)789-0790

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface 747' FSL, 2177' FEL

SW/SE

At proposed prod. Zone

5. Lease Serial No.

U-0337

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

CHAPITA WELLS UNIT

8. Lease Name and Well No.

CHAPITA WELLS UNIT 951-30

9. API Well No.

4304736760

10. Field and Pool, or Exploratory

NATURAL BUTTES

11. Sec., T., R., M., or Blk. and Survey or Area

SEC. 30, T9S, R23E,
S.L.B.&M.

14. Distance in miles and direction from nearest town or post office*

20.65 MILES SOUTHEAST OF OURAY, UTAH

12. County or Parish

UINTAH

13. State

UTAH

15. Distance from proposed*

location to nearest
property or lease line, ft. 747'

(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease

2344

17. Spacing Unit dedicated to this well

18. Distance from proposed location*

to nearest well, drilling, completed,
applied for, on this lease, ft. See Topo Map C

19. Proposed Depth

8900'

20. BLM/BIA Bond No. on file

NM-2308

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

5088.2 FEET GRADED GROUND

22. Approximate date work will start*

UPON APPROVAL

23. Estimated duration

45 DAYS

24. Attachments

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the
SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file
(see Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required
by the authorized officer.

25. Signature

Name (Printed/Typed)

Ed Trotter

Date

May 24, 2005

Title

Agent

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

Approved by (Signature)

Name (Printed/Typed)

PETER K. SOKOLOWSKY

Date

Dec. 1, 2005

Title

Assistant Field Manager
Mineral Resources

Office

VERNAL FIELD OFFICE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to
conduct operations thereon.

Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the
United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)
NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

RECEIVED

DEC 1 2005

OIL & MINING

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Operator/Company: EOG Resources Inc.

Well Name/Number: CWU 951-30

API Number: 43-047-36760

Location: SWSE Sec Tship Rng.: 30, T09S, R23E

Lease Number: UTU-0337

Agreement Name (If Applicable): Chapita Wells Unit

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware that fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

Please submit an electronic copy of all logs run on this well in LAS format. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF or other).

(1.) Proposed production casing cementing volumes are inadequate and do not circulate cement to a high enough fill-up. Additional cement beyond the proposed levels indicated in the operators application will need to be pumped. The cement volumes pumped should include appropriate excess factors. For the cementing program of the production casing string, the circulation or top of cement on the production string is to be at a minimum two hundred feet (200') above the formation named Wasatch. Per BLM estimates, the formation named Wasatch is estimated to be at depth feet 4615. Production casing string circulation or top of cement is to be at or above depth feet 4415 to formation ~Wasatch.

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Michael Lee (435) 828-7875
Petroleum Engineer

Matt Baker (435) 828-4470
Petroleum Engineer

BLM FAX Machine (435) 781-4410

Company/Operator: EOG Resources Inc.

API Number 43-047-36760

Well Name & Number: CWU 951-30

Lease number: UTU-0337

Location: SWSE Sec, 30 T.9S. R. 23E.

Surface Ownership: BLM

Date NOS Received: 5/19/05

Date APD Received: 5/26/05

Conditions for Approval are in the APD

1. Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this would include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:

9 lbs of Hycrest Crested Wheatgrass & 3 lbs of Kochia prostrate.

2. As a Best Management Practice (BMP), the pipeline would be buried within the identified construction width of an access corridor that contains the access road and pipelines. Exceptions to this BMP may be granted where laterally extensive, hard indurated bedrock, such as sandstone, is at or within 2 feet of the surface; and, soil types with a poor history of successful rehabilitation).

3. Prior to abandonment of a buried pipeline, the operator would obtain authorization from the appropriate regulatory agency. BLM will determine whether the pipeline and all above ground pipeline facilities shall be removed and unsalvageable materials disposed of at approved sites or abandoned in place. Reshaping and revegetation of disturbed land areas will be completed where necessary.

4. If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 951-30

Api No: 43-047-36760 Lease Type: FEDERAL

Section 30 Township 09S Range 23E County UINTAH

Drilling Contractor ROCKER DRILLING RIG # 1

SPUDDED:

Date 04/28/06

Time 6:00 PM

How DRY

Drilling will Commence: _____

Reported by DALL COOK

Telephone # (435) 828-3630

Date 05/01/2006 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM

Operator: EOG RESOURCESOperator Account Number: N 9550Address: P.O. BOX 1815city VERNALstate UTzip 84078Phone Number: (435) 781-9111

Well 1

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|---|---------------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 43-047-36342 | CHAPITA WELLS UNIT 928-24 | | NWSE | 24 | 9S | 22E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| D | 99999 | 15353 | 4/29/2006 | | | 5/4/06 | |
| Comments: <u>PRRV = MVRD</u> — <u>K</u> | | | | | | | |

Well 2

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|---|---------------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 43-047-36760 | CHAPITA WELLS UNIT 951-30 | | SWSE | 30 | 9S | 23E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| D | 99999 | 13918 | 4/28/2006 | | | 5/4/06 | |
| Comments: <u>PRRV = MVRD</u> — <u>K</u> | | | | | | | |

Well 3

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|---|-----------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 43-047-33582 | N Chapita 104-33 | | SESW | 33 | 8S | 22E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| C | 4905 | 15347 | 1/27/2000 | | | 5/1/06 | |
| Comments: <u>Effective 1/1/06</u> <u>4905 was assigned in error</u> — <u>K</u> <u>WSTC</u> | | | | | | | |

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Kaylene R. Gardner

Name (Please Print)

Signature

Regulatory Assistant

Title

5/1/2006

Date

(5/2000)

RECEIVED

MAY 01 2006

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG RESOURCES, INC.**

3a. Address
P.O. BOX 1815 Vernal, UT 84078

3b. Phone No. (include area code)
435-781-9111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**747 FSL 2177 (SW/SE) FEL S.L.B.&M
SECTION 30, T9S, R23E 40.001772 LAT 109.367944 LON**

5. Lease Serial No.

U-0337

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

CHAPITA WELLS UNIT

8. Well Name and No.

CHAPITA WELLS UNIT 951-30

9. API Well No.

43-047-36760

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other _____ |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input checked="" type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.

- 1. Natural Buttes Unit 21-20B SWD**
- 2. Ace Disposal**
- 3. RN Industries**

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Kaylene B. Gardner

Title **Regulatory Assistant**

Signature

Date

05/01/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

MAY 02 2006

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG RESOURCES, INC.**

3a. Address
P.O. BOX 1815 Vernal, UT 84078

3b. Phone No. (include area code)
435-781-9111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**747 FSL 2177 (SW/SE) FEL S.L.B.&M
SECTION 30, T9S, R23E 40.001772 LAT 109.367944 LON**

5. Lease Serial No.

U-0337

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

CHAPITA WELLS UNIT

8. Well Name and No.

CHAPITA WELLS UNIT 951-30

9. API Well No.

43-047-36760

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|--|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other WELL SPUD |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. spud a 20" surface hole at the referenced location 4/28/2006 at 6:00 p.m. Dall Cook, representative for EOG, notified Michael Lee of the Vernal BLM office and Carol Daniels of the Utah Division of Oil Gas and Mining of the spud 4/28/2006 @ 5:15 p.m.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Kaylene R. Gardner

Title **Regulatory Assistant**

Signature

Date **05/01/2006**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

MAY 02 2006

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**SUNDRY NOTICES AND REPORTS ON WELLS****Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.****SUBMIT IN TRIPLICATE- Other instructions on reverse side.**1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator **EOG RESOURCES, INC.**3a. Address
600 17th St., Suite 1000N, Denver, CO 802023b. Phone No. (include area code)
303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**747 FSL 2177 (SW/SE) FEL S.L.B.&M
SECTION 30, T9S, R23E 40.001772 LAT 109.367944 LON**

5. Lease Serial No.

U-0337

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

CHAPITA WELLS UNIT

8. Well Name and No.

CHAPITA WELLS UNIT 951-30

9. API Well No.

43-047-36760

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

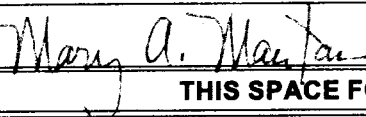
UINTAH COUNTY, UT**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other Buried pipeline |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | exception |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests a variance to the requirement for a buried gas sales pipeline for the referenced well.**See Attached Sheet****Accepted by the
Utah Division of
Oil, Gas and Mining
For Record Only**14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)**Mary A. Maestas**Title **Operations Clerk**

Signature



Date

07/17/2006**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED**JUL 19 2006**

DIV. OF OIL, GAS & MINING

Request for Exception to Buried Pipeline Requirement
Chapita Wells Unit 951-30
SW/SE, Section 30, T9S, R23E
Lease Number U-0337

EOG Resources, Inc. requests a variance to the requirement for a buried gas sales pipeline for the referenced well for the following reasons:

1. In order to bury pipe on the gas sales line route, additional surface disturbance relative to surface pipeline would be approximately 50' X Length acres.
2. Ripping, cutting, or blasting of rock would be required, which in turn would leave long-term spoils on the right-of-way.
3. The disturbed soils on the pipeline corridor would be difficult to rehabilitate and would be susceptible to noxious weed infestation, which in turn would be hazardous to livestock.
4. Supplemental soil to replace removed rock would need to be hauled in from other locations to provide bedding and cover material.
5. The buried pipe would need to be coated and/or wrapped to minimize the potential for corrosion-caused gas leaks and blowouts.
6. Burying of pipe next to access roads increases the potential for damage, explosion, and fire when using graders and/or dozers for snow removal or road rehabilitation.
7. Surface equipment, including risers with blow down valves and pipeline markers will be required, adding to negative visual impact.
8. Disturbance of previously rehabilitated pipeline corridor could be necessary if increasing well density requires crossing of the corridor or location construction on the corridor.
9. Pipeline corridors subject to poor rehabilitation characteristics are susceptible to high rates of soil erosion.
10. Buried shallow pipelines in low areas subject to the occasional presence of standing water are susceptible to movement and surfacing.

RECEIVED
RECEIVED
JUL 19 2006
JUL 19 2006
DIV. OF OIL, GAS & MINING
OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**SUNDRY NOTICES AND REPORTS ON WELLS****Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.****SUBMIT IN TRIPLICATE- Other instructions on reverse side.**1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator **EOG RESOURCES, INC.**3a. Address
600 17th St., Suite 1000N, Denver, CO 802023b. Phone No. (include area code)
303-824-55264. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**747 FSL 2177 (SW/SE) FEL S.L.B.&M
SECTION 30, T9S, R23E 40.001772 LAT 109.367944 LON**5. Lease Serial No.
U-0337

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS UNIT8. Well Name and No.
CHAPITA WELLS UNIT 951-309. API Well No.
43-047-3676010. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UT**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other <u>Change tank size</u> |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. respectfully requests permission to set two (2) 400 bbl vertical condensate tanks and attaching piping on the referenced location.

Accepted by the
Utah Division of
Oil, Gas and Mining
For Record Only

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)**Mary A. Maestas**Title **Operations Clerk**

Signature



Date

07/17/2006**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED
JUL 19 2006

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
EOG RESOURCES, INC.3a. Address
600 17th St., Suite 1000N, Denver, CO 802023b. Phone No. (include area code)
303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

747 FSL 2177 (SW/SE) FEL S.L.B.&M
SECTION 30, T9S, R23E 40.001772 LAT 109.367944 LON5. Lease Serial No.
U-0337

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS UNIT8. Well Name and No.
CHAPITA WELLS UNIT 951-309. API Well No.
43-047-3676010. Field and Pool, or Exploratory Area
NATURAL BUTTES11. County or Parish, State
UINTAH COUNTY, UT**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|---|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input checked="" type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 7/31/2006. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mary A. Maestas

Title Operations Clerk

Signature



Date

08/01/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED**AUG 04 2006**

DIV. OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 08-01-2006

| | | | | | |
|---------------|---|-----------|--------------|---------------|------------|
| Well Name | CWU 951-30 | Well Type | DEVG | Division | DENVER |
| Field | CHAPITA WELLS DEEP | API # | 43-047-36760 | Well Class | ISA |
| County, State | UINTAH, UT | Spud Date | 06-13-2006 | Class Date | 07-31-2006 |
| Tax Credit | N | TVD / MD | 8,900/ 8,900 | Property # | 054940 |
| Water Depth | 0 | Last CSG | 2.375 | Shoe TVD / MD | 0/ 0 |
| KB / GL Elev | 5,101/ 5,088 | | | | |
| Location | Section 30, T9S, R23E, SWSE, 747 FSL & 2177 FEL | | | | |

| | | | | | |
|----------|--------------------|-------------|------------------|-------|--------|
| Event No | 1.0 | Description | DRILL & COMPLETE | | |
| Operator | EOG RESOURCES, INC | WI % | 54.681 | NRI % | 46.696 |

| | | | | | | | | | | | |
|----------------------|--------|-------------|-----------|------------|-----------|------------|------------|-----------------|------------------|------------|-----|
| AFE No | 302809 | | AFE Total | | 1,733,700 | | DHC / CWC | | 818,700/ 915,000 | | |
| Rig Contr | TRUE | | Rig Name | TRUE #27 | | Start Date | 06-24-2005 | | Release Date | 06-21-2006 | |
| 06-24-2005 | | Reported By | | | | | | | | | |
| DailyCosts: Drilling | | \$0 | | Completion | | \$0 | | Daily Total | | \$0 | |
| Cum Costs: Drilling | | \$0 | | Completion | | \$0 | | Well Total | | \$0 | |
| MD | 0 | TVD | 0 | Progress | 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | | PBTD : 0.0 | | | | Perf : | | PKR Depth : 0.0 | | | |

Activity at Report Time: LOCATION DATA

| Start | End | Hrs | Activity Description |
|-------|-------|------|----------------------|
| 06:00 | 06:00 | 24.0 | LOCATION DATA |

747' FSL & 2177' FEL (SW/SE)
SECTION 30, T9S, R23E
UINTAH COUNTY, UTAH

LAT 40.001772, LONG 109.367944 (NAD 27)

TRUE RIG #27
OBJECTIVE: 8900' TD, MESAVERDE
DW/GAS
CHAPITA WELLS DEEP PROSPECT
DD&A: CHAPITA DEEP
NATURAL BUTTES FIELD

LEASE: U-0337
ELEVATION: 5093' NAT GL, 5088.2' PREP GL (DUE TO ROUNDING 5088' IS THE PREP GL), 5101' KB (13')

EOG WI 54.318592%, NRI 46.695756%

| | | |
|------------|-------------|------------|
| 05-07-2006 | Reported By | ED TROTTER |
|------------|-------------|------------|

| | | | | | |
|-----------------------|----------|------------|-----|-------------|----------|
| Daily Costs: Drilling | \$60,571 | Completion | \$0 | Daily Total | \$60,571 |
|-----------------------|----------|------------|-----|-------------|----------|

RECEIVED
AUG 04 2006

DIV. OF OIL, GAS & MINING

Cum Costs: Drilling \$60,571 Completion \$0 Well Total \$60,571
 MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBDT : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO BUCKET RIG

Start End Hrs Activity Description
 06:00 06:00 24.0 5093' NAT GL. CUT AT STAKE 5.3'.

MI CRAIG'S ROUSTABOUT SERVICE. BUILD ACCESS ROAD & LOCATION. LINED RESERVE PIT. WO BUCKET RIG.

05-08-2006 Reported By COOK/BARNES

Daily Costs: Drilling \$0 Completion \$0 Daily Total \$0
 Cum Costs: Drilling \$60,571 Completion \$0 Well Total \$60,571
 MD 40 TVD 40 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBDT : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO AIR RIG

Start End Hrs Activity Description
 06:00 06:00 24.0 MIRU ROCKER DRILLING RIG #1. SPUD WELL @ 6:00 PM ON 4/28/2006. DRILLED 17.5" HOLE TO 40'. RAN 40' OF 14", CONDUCTOR PIPE. CEMENTED CONDUCTOR TO SURFACE WITH READY MIX CEMENT.

DALL COOK NOTIFIED MIKE LEE OF BLM & CORAL DANIELS OF UDOGM OF WELL SPUD ON 4/28/2006 @ 5:15 PM.

06-06-2006 Reported By COOK/BARNES

Daily Costs: Drilling \$183,313 Completion \$0 Daily Total \$183,313
 Cum Costs: Drilling \$243,884 Completion \$0 Well Total \$243,884
 MD 2,073 TVD 2,073 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBDT : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

Start End Hrs Activity Description
 06:00 06:00 24.0 MIRU CRAIGS AIR RIG # 2. DRILLED 12-1/4" HOLE TO 2110' GL. ENCOUNTERED LARGE AMOUNT OF WATER @ 1670'. RAN 48 JTS (2060.90') OF 9-5/8", 36.0#/FT, J-55, ST&C CASING WITH WEATHERFORD GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2073' KB. RDMO CRAIG'S AIR RIG.

RU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 150 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (40.9 BBLs) OF PREMIUM CEMENT W/2% CaCl2 & 1/4 #/SX FLOCELE. MIXED CEMENT TO 15.8 PPG W/YIELD OF 1.15 CFS. DISPLACED CEMENT W/156.3 BBLs FRESH WATER. BUMPED PLUG W/500# @ 7:39 PM, 5/1/2006. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. HOLE DID NOT FILL. NO CIRCULATION.

TOP JOB #1: MIXED & PUMPED 100 SX (20.5 BBLs) OF PREMIUM CEMENT W/4% CaCl2, 1/4 #/SX FLOCELE & 1 #/SX GR-3. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO CEMENT TO SURFACE. WOC 2 HOURS.

TOP JOB #2: MIXED & PUMPED 100 SX (20.5 BBLs) OF PREMIUM CEMENT W/4% CaCl2, 1/4 #/SX FLOCELE & 1 #/SX GR-3. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO CEMENT TO SURFACE. WOC 5 MINUTES.

RECEIVED
 AUG 04 2006

TOP JOB #3: MIXED & PUMPED 50 SX (10.2 BBL) OF PREMIUM CEMENT W/2% CACL2 & 1/4#/SX FLOCELE. MIXED CEMENT TO 15.8 PPG W/YIELD OF 1.15 CF/SX. NO CEMENT TO SURFACE. WOC 2 HOURS.

TOP JOB #4: MIXED & PUMPED 135 SX (27.6 BBL) OF PREMIUM CEMENT W/2% CACL2, 1/4#/SX FLOCELE & DUMPED 100# OF GR-3 DOWN BACKSIDE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO BIG 4 CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

MIRU SLICK LINE UNIT & SURVEY TOOL. RAN IN HOLE & TAGGED @ 1960' GL. PICK UP TO 1954' GL & TOOK SURVEY, 2 DEGREE.

JERRY BARNES NOTIFIED DONNA KENNEY W/VFO BLM OF THE SURFACE CASING & CEMENT JOB @ 1:00 PM, 5-1-2006.

06-10-2006 **Reported By** NEIL BOURQUE

| | | | | | |
|--|-------------------|-------------------|---------------|------------------------|-----------|
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$243,884 | Completion | \$0 | Well Total | \$243,884 |
| MD | 2.073 | TVD | 2.073 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |
| Activity at Report Time: WAIT ON DAYLIGHT | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|-----|----------------------|
| 18:00 | 23:00 | 5.0 | MIRU. RDMO. |
| 23:00 | 06:00 | 7.0 | WAIT ON DAYLIGHT. |

06-12-2006 **Reported By** NEIL BOURQUE

| | | | | | |
|--|-------------------|-------------------|---------------|------------------------|-----------|
| Daily Costs: Drilling | \$18,032 | Completion | \$0 | Daily Total | \$18,032 |
| Cum Costs: Drilling | \$261,916 | Completion | \$0 | Well Total | \$261,916 |
| MD | 2.110 | TVD | 2.110 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |
| Activity at Report Time: WAIT ON DAYLIGHT | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 07:00 | 1.0 | WAIT ON DAYLIGHT. |
| 07:00 | 10:00 | 3.0 | RIG DOWN ROTARY TOOLS W/ TRUCKS. |
| 10:00 | 11:00 | 1.0 | MOVE RIG W/ TRUCKS. |
| 11:00 | 15:30 | 4.5 | R/U ROTARY TOOLS W/ TRUCKS, STAB DERRICK @ 13:00 HRS. TRUCKS RELEASED @ 15:30 HRS. |
| 15:30 | 18:30 | 3.0 | RIG UP ROTARY TOOLS. RAISED DERRICK @ 17:00 HRS. |
| 18:30 | 06:00 | 11.5 | WAIT ON DAYLIGHT. |

06-13-2006 **Reported By** NEIL BOURQUE

| | | | | | |
|---|-------------------|-------------------|---------------|------------------------|-----------|
| Daily Costs: Drilling | \$54,479 | Completion | \$0 | Daily Total | \$54,479 |
| Cum Costs: Drilling | \$316,396 | Completion | \$0 | Well Total | \$316,396 |
| MD | 2.391 | TVD | 2.391 | Progress | 282 |
| Days | 1 | MW | 8.3 | Visc | 28.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |
| Activity at Report Time: DRILL AHEAD | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|-----|----------------------|
| 06:00 | 07:00 | 1.0 | WAIT ON DAYLIGHT. |

07:00 13:00 6.0 RIG UP ROTARY TOOLS.

CONTACTED MICHAEL LEE, @ BLM VERNAL OFFICE, REGARDING PRESSURE TEST AND SPUD NOTICE.

13:00 14:00 1.0 NU BOP'S. RIG ACCEPTED ON DAYWORK 6/12/06 @ 13:00 HRS.

14:00 18:30 4.5 TEST BOP. TEST ALL RAMS AND VALVES TO 250 PSI LOW, 3000 PSI HIGH. TEST ANNULAR TO 2500 PSI HIGH, 250 PSI LOW. TEST 9 5/8" CASING TO 1500 PSI HIGH FOR 30 MIN AND 250 PSI LOW FOR 5 MIN. SET WEAR BUSHING.

18:30 21:00 2.5 MU NEW BIT, BHA AND TIH.

21:00 22:00 1.0 PU DRILL PIPE AND RUN TO TOC @ 1984'.

22:00 22:30 0.5 RD LAY DOWN MACHINE AND INSTALL ROTATING HEAD RUBBER.

22:30 00:30 2.0 DRILL OUT SHOE TRACK. CLEAN OUT RATHOLE TO 2110'.

00:30 01:00 0.5 DRILL 7.875" HOLE FROM 2110' TO 2120'.

01:00 01:30 0.5 PUMP 20 BBL H/V SWEEP AND CIRCULATE HOLE CLEAN. FIT TO 120 PSI, 9.5 PPG EMW.

01:30 05:30 4.0 DRILL 7.875" HOLE FROM 2120' TO 2392'.

05:30 06:00 0.5 PUMP 20 BBL HIGH VIS PILL. CIRC CLEAN. FIT 150 PSI, EMW 9.9 PPG.

FUEL RECEIVED 4500 GAL, FUEL ON HAND 6059 GAL
SAFETY MEETING: RIG UP/PRESSURE TESTING/PU TUBULARS
NO ACCIDENTS OR INCIDENTS REPORTED

06:00 18.0 SPUD 7 7/8" HOLE AT 01:30 HRS. 6/13/06.

06-14-2006 Reported By NEIL BOURQUE

| | | | | | |
|------------------------------|-----------|-------------------|-----|--------------------|-----------|
| Daily Costs: Drilling | \$77,175 | Completion | \$0 | Daily Total | \$77,175 |
| Cum Costs: Drilling | \$393,571 | Completion | \$0 | Well Total | \$393,571 |

| | | | | | | | | | | | |
|-----------|-------|------------|-------|-----------------|-------|-------------|---|-----------|-----|-------------|------|
| MD | 4,362 | TVD | 4,362 | Progress | 1,971 | Days | 2 | MW | 8.5 | Visc | 28.0 |
|-----------|-------|------------|-------|-----------------|-------|-------------|---|-----------|-----|-------------|------|

| | | | |
|--------------------|-------------------|---------------|------------------------|
| Formation : | PBTD : 0.0 | Perf : | PKR Depth : 0.0 |
|--------------------|-------------------|---------------|------------------------|

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 08:00 | 2.0 | DRILL 7.875" HOLE FROM 2392' TO 2518', 63 FPH. |
| 08:00 | 08:30 | 0.5 | SERVICE RIG. |
| 08:30 | 13:00 | 4.5 | DRILL 7.875" HOLE FROM 2518' TO 2956', 97.7 FPH. |
| 13:00 | 13:30 | 0.5 | SURVEY @ 2956', 1 DEGREE. |
| 13:30 | 01:00 | 11.5 | DRILL 7.875" HOLE FROM 2956' TO 4048', 95 FPH. |
| 01:00 | 01:30 | 0.5 | SURVEY @ 3970', 2.25 DEGREE. |
| 01:30 | 06:00 | 4.5 | DRILL 7.875" HOLE FROM 4048' TO 4362', 69.7 FPH, MW 9.3, VIS 32. |

FUEL USED 822 GALS, FUEL ON HAND 4937 GAL
BG GAS 500-1000U, CONN GAS 1000-1500U, HG/5977U @ 2,941'
SAFETY MEETING: KICKS/LOCK OUT TAGS/FIT
NO ACCIDENTS OR INCIDENTS REPORTED

06-15-2006 Reported By PAUL WHITE

| | | | | | |
|------------------------------|-----------|-------------------|-----|--------------------|-----------|
| Daily Costs: Drilling | \$54,144 | Completion | \$0 | Daily Total | \$54,144 |
| Cum Costs: Drilling | \$447,716 | Completion | \$0 | Well Total | \$447,716 |

| | | | | | | | | | | | |
|-----------|-------|------------|-------|-----------------|-----|-------------|---|-----------|-----|-------------|------|
| MD | 5,225 | TVD | 5,225 | Progress | 863 | Days | 3 | MW | 9.4 | Visc | 34.0 |
|-----------|-------|------------|-------|-----------------|-----|-------------|---|-----------|-----|-------------|------|

RECEIVED

AUG 04 2006

DIV. OF OIL, GAS & MINING

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 11:00 | 5.0 | DRILL 4362' TO 4517', 155', 5 HRS, 31 FPH. |
| 11:00 | 11:30 | 0.5 | SERVICE RIG. |
| 11:30 | 12:30 | 1.0 | DRILL 4517' TO 4549', 32', 1 HOUR. PREPARE TO TRIP FOR PENETRATION RATE. |
| 12:30 | 13:30 | 1.0 | CIRCULATE AND MIX PILL. |
| 13:30 | 18:00 | 4.5 | POH. CHANGE BIT AND RIH (DSX210 HAD BROKEN CUTTERS ON FACE AND HEEL ROWS. SEVERAL CUTTERS FLAT). RUN IN W/HC504ZX. |
| 18:00 | 06:00 | 12.0 | DRILL 4549' TO 5225', 676', 12 HRS, 56 FPH, WOB 15K, 420 GPM, RPM 51, MOTOR RPM 67, MUD WT 9.5, VIS 34. |

SAFETY MEETING: GOOD HOUSEKEEPING/WATCH NEW CREWMEN

FUEL USED 898 GAL, ON HAND USABLE 4049 GAL

NO ACCIDENTS OR INCIDENTS

06-16-2006 Reported By PAUL WHITE

| | | | | | | | | | | | |
|-----------------------|-----------|------------|-------|-------------|-----------|------|---|----|-----|------|------|
| Daily Costs: Drilling | \$38,127 | Completion | \$0 | Daily Total | \$38,127 | | | | | | |
| Cum Costs: Drilling | \$485,843 | Completion | \$0 | Well Total | \$485,843 | | | | | | |
| MD | 6,200 | TVD | 6,200 | Progress | 975 | Days | 4 | MW | 9.6 | Visc | 33.0 |

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 13:00 | 7.0 | DRILL 5225' TO 5456', 231', 7 HRS, 33 FPH. |
| 13:00 | 13:30 | 0.5 | SERVICE RIG. |
| 13:30 | 16:30 | 3.0 | DRILL 5456' TO 5590', 134', 44.6 FPH. |
| 16:30 | 17:30 | 1.0 | PUMP REPAIR #2 PUMP, SUCTION MODULE. |
| 17:30 | 01:30 | 8.0 | DRILL 5590' TO 6049', 459', 8 HRS, 57 FPH. |
| 01:30 | 03:00 | 1.5 | RIG REPAIR, WORK ON #2 PUMP. |
| 03:00 | 06:00 | 3.0 | DRILL 6049' TO 6200', 151', 3 HRS, 50 FPH, 420 GPM, 67 RPM MOTOR, 51 RPM ROTARY, MUD WT 9.5, VIS 34. |

SAFETY MEETING: SLIP AND FALLS

FUEL USED 1047 GAL, ON HAND 2992 USABLE

NO ACCIDENTS OR INCIDENTS

06-17-2006 Reported By PAUL WHITE

| | | | | | | | | | | | |
|-----------------------|-----------|------------|-------|-------------|-----------|------|---|----|-----|------|------|
| Daily Costs: Drilling | \$37,379 | Completion | \$587 | Daily Total | \$37,966 | | | | | | |
| Cum Costs: Drilling | \$523,223 | Completion | \$587 | Well Total | \$523,810 | | | | | | |
| MD | 7,100 | TVD | 7,100 | Progress | 900 | Days | 5 | MW | 9.8 | Visc | 35.0 |

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 13:00 | 7.0 | DRILL FROM 6200' TO 6517', 317', 7 HRS, 45 FPH. |
| 13:00 | 13:30 | 0.5 | SERVICE RIG. |
| 13:30 | 02:00 | 12.5 | DRILL FROM 6517' TO 7021', 504', 12.5 HRS, 40.3 FPH. |
| 02:00 | 03:00 | 1.0 | RIG REPAIR, #2 PUMP (CHANGED THREE VALVES AND VALVE SEATS). |

RECEIVED

AUG 04 2006

DIV. OF OIL, GAS & MINING

03:00 06:00 3.0

DRILL FROM 7021' TO 7200', 179', 3 HRS, 59 FPH. MOTOR RPM 67, ROTARY RPM 51, 420 GPM. MUD WT 10.2 PPG, VIS 38.

SAFETY MEETING: SLIPS TRIPS AND FALLS

HELD BOP DRILL 42 SEC AMAS

NO ACCIDENTS OR INCIDENTS

FUEL USED 1047 GALS, ON HAND 1945 GAL

06-18-2006 Reported By PAUL WHITE

Daily Costs: Drilling \$57,729 Completion \$0 Daily Total \$57,729

Cum Costs: Drilling \$580,952 Completion \$587 Well Total \$581,539

MD 7.875 TVD 7.875 Progress 775 Days 6 MW 10.5 Visc 35.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 07:00 | 1.0 | DRILL 7100' TO 7107, 7" 1 HR. PREPARE FOR TRIP. |
| 07:00 | 10:00 | 3.0 | TRIP OUT FOR BIT. |
| 10:00 | 11:00 | 1.0 | LAY DOWN REAMERS. CHANGE BIT. FUNCTION TEST BLIND RAMS. |
| 11:00 | 14:00 | 3.0 | RIH. INSTALL ROTATING HEAD RUBBER, HOLE IN GOOD CONDITION, NO FILL. |
| 14:00 | 01:00 | 11.0 | DRILL 7107' TO 7590', 483', 11 HRS, 43 FPH. |
| 01:00 | 01:30 | 0.5 | PUMP REPAIR. CHANGE CENTER SWAB AND LINER #2 PUMP. |
| 01:30 | 06:00 | 4.5 | DRILL 7590' TO 7875', 285', 4.5 HRS, 63 FPH, 420 GPM, MOTOR RPM 67, ROTARY RPM 51, MUD WT 10.5, VIS 36. |

FUEL USED 1359 GAL, ON HAND USABLE 5086, FUEL RECEIVED 4000 GAL

SAFETY MEETING: SLEDGE HAMMERS/PPE

HELD BOP DRILL 52 SEC AMAS

06-19-2006 Reported By PAUL WHITE

Daily Costs: Drilling \$32,367 Completion \$0 Daily Total \$32,367

Cum Costs: Drilling \$613,319 Completion \$587 Well Total \$613,906

MD 8.191 TVD 8.191 Progress 316 Days 7 MW 10.6 Visc 35.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: TRIP FOR MUD MOTOR

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 12:00 | 6.0 | DRILL 7875' TO 8140', 265', 6 HRS, 44 FPH. |
| 12:00 | 13:00 | 1.0 | RIG REPAIR, PUMP #2. |
| 13:00 | 13:30 | 0.5 | DRILL 8140' TO 8150', 10', .5 HRS, 20 FPH. BLACK MAX MOTOR DIFFERENTIAL PRESSURE ERRATIC. |
| 13:30 | 15:00 | 1.5 | CIRCULATE. TROUBLE SHOOT MUD SYSTEM AND #2 PUMP. |
| 15:00 | 16:30 | 1.5 | DRILL 8150' TO 8191', 41' MOTOR CONTINUE ERRATIC DIFF PRESSURE. SOME PIECES OF RUBBER OVER SHAKER. |
| 16:30 | 17:30 | 1.0 | CIRCULATE AND EVEN OUT MUD WT AT 10.6 PPG. FLOW CHECK AND PUMP PILL. |
| 17:30 | 04:00 | 10.5 | TRIP FOR MUD MOTOR AND CHANGE BITS. SLIP AND CUT DRILLING LINE 1.5 HRS. |
| 04:00 | 06:00 | 2.0 | HIT TIGHT HOLE AT 7809'. LAY DOWN SINGLES. PICK UP ROTATING HEAD RUBBER. REAM 2 SINGLES. CONTINUE RIH AT 06:00 HRS. |

NO ACCIDENTS OR INCIDENTS

SAFETY MEETING: TRIPPING PIPE

06-20-2006 Reported By PAUL WHITE

| | | | | | |
|------------------------------|-----------|-------------------|---------|--------------------|-----------|
| Daily Costs: Drilling | \$49,688 | Completion | \$2,071 | Daily Total | \$51,759 |
| Cum Costs: Drilling | \$663,008 | Completion | \$2,658 | Well Total | \$665,666 |

| | | | | | | | | | | | |
|-----------|-------|------------|-------|-----------------|-----|-------------|---|-----------|------|-------------|------|
| MD | 8,900 | TVD | 8,900 | Progress | 709 | Days | 8 | MW | 10.6 | Visc | 40.0 |
|-----------|-------|------------|-------|-----------------|-----|-------------|---|-----------|------|-------------|------|

| | | | |
|--------------------|-------------------|---------------|------------------------|
| Formation : | PBTD : 0.0 | Perf : | PKR Depth : 0.0 |
|--------------------|-------------------|---------------|------------------------|

Activity at Report Time: SHORT TRIP - FLOW CHECK

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 12:30 | 6.5 | DRILL 8191' TO 8438', 247', 6.5 HRS, 38 FPH. |
| 12:30 | 13:00 | 0.5 | SERVICE RIG. |
| 13:00 | 16:30 | 3.5 | DRILL 8438' TO 8564', 126', 3.5 HRS, 36 FPH. |
| 16:30 | 17:30 | 1.0 | RIG REPAIR WORK ON #2 PUMP, REPLACE 3 SWABS. |
| 17:30 | 03:30 | 10.0 | DRILL 8564' TO 8900', 336', 10 HRS, 34 FPH, 420 GPM, 97 RPM MOTOR, 51 RPM ROTARY. |
| 03:30 | 06:00 | 2.5 | FLOW CHECK. PULL 10 STANDS. FLOW CHECK, RIH. MUD WT 11 PPG, VIS 37. |

SAFETY MEETING: EYE WEAR/CUTTING AND SLIPPING DRILL LINE

FUEL USED 975 GAL, ON HAND 3298 USUABLE

NO ACCIDENTS OR INCIDENTS

TRUCKS FOR RIG MOVE TO CWU 950-30 SCHEDULED FOR THURSDAY JUNE 22ND

MOVE TO CWU 950-30 (1.7 MILES)

06-21-2006 Reported By PAUL WHITE

| | | | | | |
|------------------------------|-----------|-------------------|-----------|--------------------|-----------|
| Daily Costs: Drilling | \$48,103 | Completion | \$158,956 | Daily Total | \$207,059 |
| Cum Costs: Drilling | \$711,111 | Completion | \$161,614 | Well Total | \$872,725 |

| | | | | | | | | | | | |
|-----------|-------|------------|-------|-----------------|---|-------------|---|-----------|-----|-------------|-----|
| MD | 8,900 | TVD | 8,900 | Progress | 0 | Days | 9 | MW | 0.0 | Visc | 0.0 |
|-----------|-------|------------|-------|-----------------|---|-------------|---|-----------|-----|-------------|-----|

| | | | |
|--------------------|-------------------|---------------|------------------------|
| Formation : | PBTD : 0.0 | Perf : | PKR Depth : 0.0 |
|--------------------|-------------------|---------------|------------------------|

Activity at Report Time: WO COMPLETION

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 06:00 | 07:00 | 1.0 | CIRCULATE AND RIG UP TO LAY DOWN DRILL PIPE. HOLD SAFETY MEETING WITH RIG CREW AND LAY DOWN CREW. |
| 07:00 | 14:30 | 7.5 | LAY DOWN DRILL PIPE AND BHA, BREAK KELLY. PULL WEAR BUSHING. |
| 14:30 | 15:30 | 1.0 | RIG UP CASING CREW. |
| 15:30 | 21:30 | 6.0 | RUN 209 JTS (207 FULL JTS + MARKER JTS) OF 4.5", 11.6#, P-110, LT&C PRODUCTION CASING. LANDED AT 8893' KB. RAN AS FOLLOWS: WEATHERFORD FLOAT SHOE, 1 JT CASING, FLOAT COLLAR AT 8848', 54 JTS CASING, MARKER JT TOP AT 6517', 58 JTS CASING, MARKER JT TOP AT 4046'. CENTRILIZERS ON BOTTOM JT AND 2ND JT AND EVERY OTHER JOINT AFTER 30 CENTRILIZERS TOTAL. TAGGED BOTTOM AND INSTALL LANDING JT AND MANDREL HANGER. |
| 21:30 | 22:30 | 1.0 | LAY DOWN TAG JT. RIG UP AND CIRCULATE. |
| 22:30 | 00:00 | 1.5 | CIRCULATE AND RIG UP SCHLUMBERGER. HOLD PJSM. |

00:00 01:30 1.5 SCHLUMBERGER MIXED AND PUMPED CEMENT AS FOLLOWS: 20 BBLS WATER, 20 BBLS CW100, 280 SK, 148.6 BBLS G CMT PLUS ADDS. YIELD 2.98 FT3/SK. SLURRY WT. 11.5 PPG. FOLLOWED WITH 365.5 BBLS 1465 SK OF 50/50 POZ. SLURRY WT 14.1 YIELD 1.29 FT3/SK. DISPLACED W/131.7 BBLS WATER. BUMPED PLUG W/3000 PSI. CHECK FLOATS, HELD OK. LAND MANDREL HANGER WITH 65000 STRING WT. FMC TESTED PACK OFF TO 5000 PSI.

01:30 03:30 2.0 RIG DOWN. CLEAN PITS.

03:30 06:00 2.5 RIG DOWN. PREPARE RIG FOR TRUCKS. TRUCKS RESCHEDULED FOR 0900 TODAY (WEDNESDAY).

NO ACCIDENTS OR INCIDENTS

06:00 18.0 RIG RELEASED AT 03:30 HRS. 6/21/06.

CASING POINT COST \$706,641

06-29-2006 Reported By SEARLE

| | | | | | |
|-----------------------|-----------|------------|-----------|-------------|-----------|
| Daily Costs: Drilling | \$0 | Completion | \$41,289 | Daily Total | \$41,289 |
| Cum Costs: Drilling | \$711,111 | Completion | \$202,903 | Well Total | \$914,014 |

| | | | | | | | | | | | |
|----|-------|-----|-------|----------|---|------|----|----|-----|------|-----|
| MD | 8,900 | TVD | 8,900 | Progress | 0 | Days | 10 | MW | 0.0 | Visc | 0.0 |
|----|-------|-----|-------|----------|---|------|----|----|-----|------|-----|

| | | | |
|-------------|---------------|--------|-----------------|
| Formation : | PBTD : 8848.0 | Perf : | PKR Depth : 0.0 |
|-------------|---------------|--------|-----------------|

Activity at Report Time: WO COMPLETION RIG

| Start | End | Hrs | Activity Description |
|-------|-----|-----|----------------------|
|-------|-----|-----|----------------------|

| | | | |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | MIRU SCHLUMBERGER. RAN RST/CBL/VDL/GR/CCL FROM PBTD TO 1000'. TOC ABOVE 1000'. RD SCHLUMBERGER. |
|-------|-------|------|---|

06-30-2006 Reported By MCCURDY

| | | | | | |
|-----------------------|-----------|------------|-----------|-------------|-----------|
| Daily Costs: Drilling | \$0 | Completion | \$1,170 | Daily Total | \$1,170 |
| Cum Costs: Drilling | \$711,111 | Completion | \$204,073 | Well Total | \$915,184 |

| | | | | | | | | | | | |
|----|-------|-----|-------|----------|---|------|----|----|-----|------|-----|
| MD | 8,900 | TVD | 8,900 | Progress | 0 | Days | 11 | MW | 0.0 | Visc | 0.0 |
|----|-------|-----|-------|----------|---|------|----|----|-----|------|-----|

| | | | |
|-----------------------|---------------|--------|-----------------|
| Formation : MESAVERDE | PBTD : 8848.0 | Perf : | PKR Depth : 0.0 |
|-----------------------|---------------|--------|-----------------|

Activity at Report Time: PREP FOR FRAC 7-5-06

| Start | End | Hrs | Activity Description |
|-------|-----|-----|----------------------|
|-------|-----|-----|----------------------|

| | | | |
|-------|-------|-----|--|
| 15:00 | 16:00 | 1.0 | NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 8500 PSIG. PREP FOR FRAC . |
|-------|-------|-----|--|

07-11-2006 Reported By HISLOP

| | | | | | |
|-----------------------|-----------|------------|-----------|-------------|-----------|
| Daily Costs: Drilling | \$0 | Completion | \$24,738 | Daily Total | \$24,738 |
| Cum Costs: Drilling | \$711,111 | Completion | \$228,811 | Well Total | \$939,922 |

| | | | | | | | | | | | |
|----|-------|-----|-------|----------|---|------|----|----|-----|------|-----|
| MD | 8,900 | TVD | 8,900 | Progress | 0 | Days | 12 | MW | 0.0 | Visc | 0.0 |
|----|-------|-----|-------|----------|---|------|----|----|-----|------|-----|

| | | | |
|-----------------------|---------------|--------------------|-----------------|
| Formation : MESAVERDE | PBTD : 8848.0 | Perf : 7634 - 8617 | PKR Depth : 0.0 |
|-----------------------|---------------|--------------------|-----------------|

Activity at Report Time: FRAC

| Start | End | Hrs | Activity Description |
|-------|-----|-----|----------------------|
|-------|-----|-----|----------------------|

| | | | |
|-------|-------|------|---|
| 06:00 | 19:00 | 13.0 | RU CUTTERS WIRELINE. PERFORATED LPR FROM 8259'-8260', 8287'-8289', 8345'-8347', 8378'-8379', 8406'-8407', 8451'-8453', 8480'-8482', 8551'-8553' & 8615'-8617' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4941 GAL YF125ST+ PAD, 46196 GAL YF125ST+ & YF118ST+ WITH 170257# 20/40 SAND @ 1-6 PPG. MTP 6040 PSIG. MTR 51.05 BPM. ATP 5036 PSIG. ATR 45.3 BPM. ISIP 2900 PSIG. RD SCHLUMBERGER. |
|-------|-------|------|---|

RUWL. SET 10K CFP @ 8193'. PERFORATED MPR FROM 8004'-8007', 8025'-26', 8056'-8057', 8069'-8070', 8095'-8096', 8114'-8115', 8154'-8156' & 8161'-8163' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4939 GAL YF125ST+ PAD, 50,358 GAL YF125ST+ & YF118ST+ WITH 171410# 20/40 SAND @ 1-6 PPG. MTP 7492 PSIG. MTR 50.4 BPM. ATP 6148 PSIG. ATR 45.4 BPM. ISIP 3593 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 7984'. PERFORATED MPR FROM 7634'-7635', 7650'-7652', 7662'-7664', 7672'-7674', 7703'-7704', 7728'-7729', 7739'-7741', 7755'-7757' & 7771'-7772' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4957 GAL YF125ST+ PAD, 42954 GAL YF125ST+ & YF118ST+ WITH 167130# 20/40 SAND @ 1-6 PPG. MTP 7800 PSIG. MTR 51.9 BPM. ATP 5546 PSIG. ATR 46.7 BPM. ISIP 3760 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 7820'. PERFORATED MPR FROM 7634'-7635', 7650'-7652', 7662'-7664', 7672'-7674', 7703'-7704', 7728'-7729', 7739'-7741', 7755'-7757' & 7771'-7772' @ 2 SPF @ 180° PHASING. SDFN.

07-12-2006 Reported By HISLOP

| | | | | | |
|------------------------------|----------------------|---------------------------|------------------------|--------------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$76,858 | Daily Total | \$76,858 |
| Cum Costs: Drilling | \$711,111 | Completion | \$305,669 | Well Total | \$1,016,780 |
| MD | 8,900 | TVD | 8,900 | Progress | 0 |
| Formation : MESAVERDE | PBTD : 8848.0 | Perf : 6613 - 8617 | PKR Depth : 0.0 | Days | 13 |
| MD | 8,900 | TVD | 8,900 | Progress | 0 |
| Formation : MESAVERDE | PBTD : 8848.0 | Perf : 6613 - 8617 | PKR Depth : 0.0 | Days | 13 |
| MD | 8,900 | TVD | 8,900 | Progress | 0 |
| Formation : MESAVERDE | PBTD : 8848.0 | Perf : 6613 - 8617 | PKR Depth : 0.0 | Days | 13 |
| MD | 8,900 | TVD | 8,900 | Progress | 0 |
| Formation : MESAVERDE | PBTD : 8848.0 | Perf : 6613 - 8617 | PKR Depth : 0.0 | Days | 13 |

Activity at Report Time: DRILL OUT CFP

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 18:00 | 12.0 | SICP 1950 PSIG. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 7292 GAL YF123ST+ PAD, 49308 GAL YF123ST+ & YF118ST+ WITH 191000# 20/40 SAND @ 1-6 PPG. MTP 5661 PSIG. MTR 50.9 BPM. ATP 4654 PSIG. ATR 46.0 BPM. ISIP 2530 PSIG. RD SCHLUMBERGER. |

RUWL. SET 10K CFP @ 7579'. PERFORATED MPR FROM 7318'-7319', 7335'-7336', 7360'-7362', 7395'-7396', 7417'-7418', 7431'-7433', 7472'-7473', 7529'-7530' & 7547'-7549' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4958 GAL YF123ST+ PAD, 35657 GAL YF123ST+ & YF118ST+ WITH 131211# 20/40 SAND @ 1-6 PPG. MTP 7563 PSIG. MTR 50.8 BPM. ATP 4851 PSIG. ATR 46.4 BPM. ISIP 2740 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 7255'. PERFORATED UPR FROM 6994'-6996', 7013'-7014', 7149'-7151', 7166'-7167', 7204'-7205', 7211'-7212', 7227'-7229' & 7233'-7235' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4942 GAL YF123ST+ PAD, 35935 GAL YF123ST+ & YF118ST+ WITH 132,477# 20/40 SAND @ 1-6 PPG. MTP 6627 PSIG. MTR 50.5 BPM. ATP 4903 PSIG. ATR 46.5 BPM. ISIP 2575 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 6930'. PERFORATED UPR FROM 6778'-6780', 6785'-6787', 6797'-6798', 6813'-6815', 6821'-6823', 6854'-6856' & 6899'-6900' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4938 GAL YF123ST+ PAD, 44353 GAL YF123ST+ & YF118ST+ WITH 170127# 20/40 SAND @ 1-6 PPG. MTP 5659 PSIG. MTR 51.0 BPM. ATP 4410 PSIG. ATR 47.4 BPM. ISIP 2700 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 6733'. PERFORATED UPR FROM 6613'-6615', 6623'-6625', 6642'-6643', 6666'-6671' & 6701'-6703' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4933 GAL YF123ST+ PAD, 39999 GAL YF123ST+ & YF118ST+ WITH 155330# 20/40 SAND @ 1-6 PPG. MTP 5838 PSIG. MTR 50.6 BPM. ATP 4596 PSIG. ATR 48.0 BPM. ISIP 2705 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 6570'. RDWL. BLED OFF PRESSURE.IG. SDFN.

07-13-2006 Reported By SEARLE

| | | | | | |
|------------------------------|-----|-------------------|---------|--------------------|---------|
| Daily Costs: Drilling | \$0 | Completion | \$7,450 | Daily Total | \$7,450 |
|------------------------------|-----|-------------------|---------|--------------------|---------|

| | | | | | |
|------------------------------|----------------------|---------------------------|------------------------|-------------------|-------------|
| Cum Costs: Drilling | \$711,111 | Completion | \$313,119 | Well Total | \$1,024,230 |
| MD | 8,900 | TVD | 8,900 | Progress | 0 |
| Days | 14 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | PBTD : 8848.0 | Perf : 6613 - 8617 | PKR Depth : 0.0 | | |

Activity at Report Time: PREP TO MIRUSU

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 07:00 | 14:00 | 7.0 | MIRU ROYAL RIG #1. RIH W/3 7/8" BIT & PUMP OFF BIT SUB TO 6570'. RU POWER SWIVEL. SDFN. |

07-14-2006 Reported By SEARLE

| | | | | | |
|------------------------------|----------------------|---------------------------|------------------------|--------------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$7,450 | Daily Total | \$7,450 |
| Cum Costs: Drilling | \$711,111 | Completion | \$320,569 | Well Total | \$1,031,680 |
| MD | 8,900 | TVD | 8,900 | Progress | 0 |
| Days | 15 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | PBTD : 8848.0 | Perf : 6613 - 8617 | PKR Depth : 0.0 | | |

Activity at Report Time: FLOW TEST

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 07:00 | 06:00 | 23.0 | SITP 0 PSIG. SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6570', 6733', 6930', 7255', 7579', 7820', 7984' & 8193'. CLEANED OUT TO 8780'. LANDED TUBING @ 6594' KB. ND BOPE & NU TREE. PUMP OFF BIT. RDMOSU. |

FLOWED 16 HRS. 16/64" CHOKE. FTP 1520 PSIG. CP 2200 PSIG. 45 BFPH. 742 BLWR. 9558 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB .90'
 1 JT 2-3/8" 4.7# N80 EUE TUBING 32.70'
 XN NIPPLE 1.10'
 201 JTS 2-3/8" 4.7# N80 TUBING 6547.55'
 BELOW KB 12.00'
 LANDED @ 6594.25' KB

07-15-2006 Reported By SEARLE

| | | | | | |
|------------------------------|----------------------|---------------------------|------------------------|--------------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$3,450 | Daily Total | \$3,450 |
| Cum Costs: Drilling | \$711,111 | Completion | \$324,019 | Well Total | \$1,035,130 |
| MD | 8,900 | TVD | 8,900 | Progress | 0 |
| Days | 16 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | PBTD : 8848.0 | Perf : 6613 - 8617 | PKR Depth : 0.0 | | |

Activity at Report Time: FLOW TEST

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | FLOWED 24 HRS ON 16/64" CHOKE. FTP 1760 PSIG, CP 3000 PSIG. 36 BFPH, RECOVERED 895 BLW, 8633 BLWTR. |

07-16-2006 Reported By SEARLE

| | | | | | |
|------------------------------|----------------------|---------------------------|------------------------|--------------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$3,450 | Daily Total | \$3,450 |
| Cum Costs: Drilling | \$711,111 | Completion | \$327,469 | Well Total | \$1,038,580 |
| MD | 8,900 | TVD | 8,900 | Progress | 0 |
| Days | 17 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | PBTD : 8848.0 | Perf : 6613 - 8617 | PKR Depth : 0.0 | | |

Activity at Report Time: FLOW TEST

| Start | End | Hrs | Activity Description |
|-------|-----|-----|----------------------|
|-------|-----|-----|----------------------|

RECEIVED

AUG 04 2006

DIV. OF OIL, GAS & MINING

06:00 06:00 24.0 FLOWED 24 HRS ON 16/64" CHOKE. FTP 1840 PSIG, CP 2950 PSIG. 27 BFPH, RECOVERED 601 BLW, 8062 BLWTR.

07-17-2006 Reported By SEARLE

| | | | | | |
|-----------------------|-----------|------------|-----------|-------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$3,450 | Daily Total | \$3,450 |
| Cum Costs: Drilling | \$711,111 | Completion | \$330,919 | Well Total | \$1,042,030 |

| | | | | | | | | | | | |
|-----------------------|-------|---------------|-------|--------------------|---|-----------------|----|----|-----|------|-----|
| MD | 8,900 | TVD | 8,900 | Progress | 0 | Days | 18 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | PBSD : 8848.0 | | Perf : 6613 - 8617 | | PKR Depth : 0.0 | | | | | |

Activity at Report Time: WO FACILITIES

| Start | End | Hrs | Activity Description |
|-------|-----|-----|----------------------|
|-------|-----|-----|----------------------|

| | | | |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | FLOWED 24 HRS ON 16/64" CHOKE. FTP 1780 PSIG, CP 2725 PSIG. 23 BFPH, RECOVERED 561 BLW, 7501 BLWTR. SW1 @ 6:00 AM 7/17/06. WO FACILITIES. |
|-------|-------|------|---|

FINAL COMPLETION DATE: 7/16/06

06:00 18.0

08-01-2006 Reported By RANCE RASMUSSEN

| | | | | | |
|-----------------------|-----------|------------|-----------|-------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$711,111 | Completion | \$330,919 | Well Total | \$1,042,030 |

| | | | | | | | | | | | |
|-----------------------|-------|---------------|-------|--------------------|---|-----------------|----|----|-----|------|-----|
| MD | 8,900 | TVD | 8,900 | Progress | 0 | Days | 19 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | PBSD : 8848.0 | | Perf : 6613 - 8617 | | PKR Depth : 0.0 | | | | | |

Activity at Report Time: INITIAL PRODUCTION

| Start | End | Hrs | Activity Description |
|-------|-----|-----|----------------------|
|-------|-----|-----|----------------------|

| | | | |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | INITIAL PRODUCTION. OPENING PRESSURE: TP 2200 & CP 3100 PSI. TURNED WELL OVER TO QUESTAR SALES AT 11:30 AM, 7/31/06. FLOWED 380 MCFD RATE IN 10/64" CHOKE. |
|-------|-------|------|--|

RECEIVED

AUG 04 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG Resources, Inc.
Address: 600 17th St., Suite 1000N
city Denver
state CO zip 80202

Operator Account Number: N 9550
Phone Number: (303) 824-5526

Well 1

| API Number | Well Name | QQ | Sec | Twp | Rng | County |
|--|---------------------------|-------------------|-----------|----------------------------------|-----|--------|
| 43-047-36009 | Chapita Wells Unit 947-30 | SWNW | 30 | 9S | 23E | Uintah |
| Action Code | Current Entity Number | New Entity Number | Spud Date | Entity Assignment Effective Date | | |
| C | 13918 | 13650 | 7/5/2006 | 9/1/2005 | | |
| Comments: <u>MVRD</u> — <u>9/27/06</u> | | | | | | |

Well 2

| API Number | Well Name | QQ | Sec | Twp | Rng | County |
|--|---------------------------|-------------------|-----------|----------------------------------|-----|--------|
| 43-047-36760 | Chapita Wells Unit 951-30 | SWSE | 30 | 9S | 23E | Uintah |
| Action Code | Current Entity Number | New Entity Number | Spud Date | Entity Assignment Effective Date | | |
| C | 13918 | 13650 | 4/28/2006 | 9/1/2005 | | |
| Comments: <u>MVRD</u> — <u>9/27/06</u> | | | | | | |

Well 3

| API Number | Well Name | QQ | Sec | Twp | Rng | County |
|--|---------------------------|-------------------|-----------|----------------------------------|-----|--------|
| 43-047-36889 | Chapita Wells Unit 948-30 | NESW | 30 | 9S | 23E | Uintah |
| Action Code | Current Entity Number | New Entity Number | Spud Date | Entity Assignment Effective Date | | |
| C | 13918 | 13650 | 5/31/2006 | 9/1/2005 | | |
| Comments: <u>MVRD</u> — <u>9/27/06</u> | | | | | | |

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

RECEIVED

SEP 27 2006

Mary A. Maestas

Name (Please Print)

Signature

Regulatory Assistant

Title

9/27/2006

Date

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|----------------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Choke Size | Thg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | |

28c. Production - Interval D

| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|----------------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Choke Size | Thg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | |

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top Meas. Depth |
|-----------|------|--------|------------------------------|---|--|
| Mesaverde | 6613 | 8617 | | Wasatch Chapita Wells Buck Canyon North Horn Island Upper Price River Middle Price River Lower Price River Sego | 4439 4997 5693 6347 6496 6601 7499 8296 8772 |

32. Additional remarks (include plugging procedure):

SEE ATTACHED SHEET.

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) **Mary A. Maestas**Title **Regulatory Assistant**

Signature

*Mary A. Maestas*Date **10/04/2006**

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED

(Form 3160-4, page 2)

OCT 06 2006

DIV. OF OIL, GAS & MINING

CWU 951-30 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

| | |
|-----------|-------|
| 7318-7549 | 3/spf |
| 6994-7235 | 3/spf |
| 6778-6900 | 3/spf |
| 6613-6703 | 3/spf |

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

| | |
|-----------|--|
| 7318-7549 | 40,780 GALS GELLED WATER & 131,211# 20/40 SAND |
| 6994-7235 | 41,042 GALS GELLED WATER & 132,477# 20/40 SAND |
| 6778-6900 | 49,456 GALS GELLED WATER & 170,127# 20/40 SAND |
| 6613-6703 | 45,097 GALS GELLED WATER & 155,330# 20/40 SAND |

Perforated the Lower Price River from 8259-8260', 8287-8289', 8345-8347', 8378-8379', 8406-8407', 8451-8453', 8480-8482', 8551-8553' & 8615-8617' w/ 2 spf.

Perforated the Middle Price River from 8004-8007', 8025-8026', 8056-8057', 8069-8070', 8095-8096', 8114-8115', 8154-8156' & 8161-8163' w/ 3 spf.

Perforated the Middle Price River from 7856-7857', 7864-7866', 7874-7876', 7889-7891', 7935-7937', 7948-7949' & 7952-7954' w/ 3 spf.

Perforated the Middle Price River from 7634-7635', 7650-7652', 7662-7664', 7672-7674', 7703-7704', 7728-7729', 7739-7741', 7755-7757' & 7771-7772' w/ 2 spf.

Perforated the Middle Price River from 7318-7319', 7335-7336', 7360-7362', 7395-7396', 7417-7418', 7431-7433', 7472-7473', 7529-7530' & 7547-7549' w/ 3 spf.

Perforated the Upper Price River from 6994-6996', 7013-7014', 7149-7151', 7166-7167', 7204-7205', 7211-7212', 7227-7229' & 7233-7235' w/ 3 spf.

Perforated the Upper Price River from 6778-6780', 6785-6787', 6797-6798', 6813-6815', 6821-6823', 6854-6856' & 6899-6900' w/ 3 spf.

Perforated the Upper Price River from 6613-6615', 6623-6625', 6642-6643', 6666-6671' & 6701-6703' w/ 3 spf.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**SUNDRY NOTICES AND REPORTS ON WELLS****Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.****SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

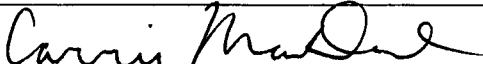
| | | |
|---|---|---|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. U-0337 |
| 2. Name of Operator EOG Resources, Inc. | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 600 17th Street, Suite 1000N, Denver, CO 80202 | 3b. Phone No. (include area code) 303-262-2812 | 7. If Unit or CA/Agreement, Name and/or No. Chapita Wells Unit |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 747' FSL & 2,177' FEL (SWSE) Sec. 30-T9S-R23E 40.001772 LAT 109.367944 LON | | 8. Well Name and No. Chapita Wells Unit 951-30 |
| | | 9. API Well No. 43-047-36760 |
| | | 10. Field and Pool, or Exploratory Area Natural Buttes/Mesaverde |
| | | 11. County or Parish, State Uintah County, Utah |

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other Pit reclamation |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The reserve pit for the referenced location was closed on 9/11/2006 as per the APD procedure.

| | | |
|---|--------------------|------------------------|
| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Carrie MacDonald | | Title Operations Clerk |
| Signature  | Date 01/31/2007 | |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|--|--------|------|
| Approved by Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | Title | Date |
| | Office | |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED**FEB 01 2007**

DIV. OF OIL, GAS & MINING